

FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: Waverunner Capital Inc. (the "Issuer").

Trading Symbol: WRUN

This Quarterly Listing Statement must be posted on or before the day on which the Issuer's unaudited interim financial statements are to be filed under the *Securities Act*, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer's first, second and third fiscal quarters. This statement is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

General Instructions

- (a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Listed Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

All related party transactions have been disclosed in the issuer's financial statements and notes for the quarter ended March 31, 2026.

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

- (a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
- (b) A description of the transaction(s), including those for which no amount has been recorded.
- (c) The recorded amount of the transactions classified by financial statement category.
- (d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
- (e) Contractual obligations with Related Persons, separate from other contractual obligations.
- (f) Contingencies involving Related Persons, separate from other contingencies.

2. Summary of securities issued and options granted during the period.

All securities issued, and options granted by the issuer have been disclosed in the issuer's financial statement and notes for the quarter ended March 31, 2026.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

- (a) summary of securities issued during the period ⁽¹⁾,

(1) Effective June 24, 2024, the Company consolidated its common share capital on a 10-old for 1-new basis, whereby each ten old shares are equal to one new share without par value. Effective January 10, 2025, the Company further consolidated its common share capital on a 15-old for 1-new basis, whereby each fifteen old shares are equal to one new share without par value. All references to common shares, stock options, warrants and weighted average number of shares outstanding herein, reflect both of these share consolidations unless otherwise noted.

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid
2023-07-07	common	Conversion of debenture	267	\$75.00	\$ 20,000.00	In lieu of cash	N/A	N/A
2023-07-07	common	Shares in lieu of cash, accrued interest payment	4	\$7.50	\$ 33.30	In lieu of cash	N/A	N/A
2023-07-28	common	Conversion of debenture	1,333	\$75.00	\$ 100,000.00	In lieu of cash	N/A	N/A
2023-07-28	common	Shares in lieu of cash, accrued interest payment	89	\$7.50	\$ 666.65	In lieu of cash	N/A	N/A
2023-08-09	common	Conversion of debenture	693	\$75.00	\$ 52,000.00	In lieu of cash	N/A	N/A
2023-08-09	common	Shares in lieu of cash, accrued interest payment	75	\$7.50	\$ 563.30	In lieu of cash	N/A	N/A
2023-08-09	common	Conversion of debenture	5,920	\$75.00	\$ 444,000.00	In lieu of cash	N/A	N/A
2023-08-09	common	Shares in lieu of cash, accrued interest payment	641	\$7.50	\$ 4,810.00	In lieu of cash	N/A	N/A

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2023-08-14	common	Conversion of debenture	107	\$75.00	\$ 8,000.00	In lieu of cash	N/A	N/A
2023-08-14	common	Shares in lieu of cash, accrued interest payment	12	\$7.50	\$ 91.10	In lieu of cash	N/A	N/A
2023-08-15	common	Conversion of debenture	400	\$75.00	\$ 30,000.00	In lieu of cash	N/A	N/A
2023-08-15	common	Shares in lieu of cash, accrued interest payment	50	\$7.50	\$ 375.00	In lieu of cash	N/A	N/A
2023-12-29	common	Shares in lieu of cash, accrued interest payment	45,580	\$7.50	\$ 341,850.00	In lieu of cash	N/A	N/A
2024-03-18	common	Conversion of debenture	267	\$75.00	\$ 20,000.00	In lieu of cash	N/A	N/A
2024-03-18	common	Shares in lieu of cash, accrued interest payment	55	\$7.50	\$ 411.10	In lieu of cash	N/A	N/A
2024-03-29	common	Conversion of debenture	1,987	\$75.00	\$ 149,000.00	In lieu of cash	N/A	N/A
2024-03-29	common	Shares in lieu of cash, accrued interest payment	486	\$7.50	\$ 3,642.20	In lieu of cash	N/A	N/A
2024-03-29	common	Shares in lieu of cash, accrued interest payment	21,620	\$7.50	\$ 162,150.40	In lieu of cash	N/A	N/A

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2024-05-10	common	Shares in lieu of cash, at Debenture maturity	4,445,333	\$1.50	\$ 6,668,000.00	In lieu of cash	N/A	N/A
2025-12-15	common	Shares issued via private placement	4,900,000	\$0.05	\$245,000.00	cash	Insiders – 1,050,000 shares \$52,500	N/A

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant
<i>N/A</i>						

3. Summary of securities as at the end of the reporting period.

A summary of securities has been provided in the financial statements for the quarter ended March 31, 2026.

Provide the following information in tabular format as at the end of the reporting period:

- (a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,
- (b) number and recorded value for shares issued and outstanding,
- (c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and
- (d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

<i>Name of Director/Officer</i>	<i>Position(s) held</i>
Douglas Ford	CEO and Director
Elbert Wong	CFO
Adam B. Ho	Director
Robin Gamley	Director

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

See Management's Discussion & Analysis attached in Schedule C.

Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated 25 May 2026.

Douglas Ford

Name of Director or Senior Officer

"signed"

Signature

CEO

Official Capacity

Issuer Details Name of Issuer		For Quarter Ended	Date of Report YY/MM/D
Waverunner Capital Inc.		03/31/2026	2026/05/25
Issuer Address			
Suite 208 – 828 Harbourside Drive			
City/Province/Postal Code		Issuer Fax No.	Issuer Telephone No.
North Vancouver, BC V7P 3R9		N/A	(604)678-8941
Contact Name		Contact Position	Contact Telephone No.
Douglas Ford		CEO	604-678-8941
Contact Email Address		Web Site Address	
info@waverunnercapital.com		www.waverunnercapital.com	

Schedules A and C

Waverunner Capital Inc.



Waverunner Capital Inc.

**Condensed Interim Financial Statements
(Unaudited)
(Expressed in Canadian Dollars)**

For the nine months ended March 31, 2026 and 2025

NOTICE OF NO AUDIT OR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim unaudited condensed interim financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of condensed interim unaudited condensed interim financial statements by an entity's auditor.

Waverunner Capital Inc.

(in Canadian Dollars)

Condensed Interim Statement of Financial Position (unaudited)

As at:	March 31, 2026	June 30, 2025
ASSETS		
Current		
Cash	\$ 72,254	\$ 11,111
Taxes receivable	4,721	21,020
Prepays	349	-
	77,324	32,131
Non-current assets		
Investment (Note 12)	54,910	269,445
	\$ 132,234	\$ 301,576
LIABILITIES		
Current		
Accounts payable and accrued liabilities	177,300	502,298
Interest payable (Note 4)	189,042	171,630
	366,342	673,928
Notes payable (Note 4)	443,959	443,959
	810,301	1,117,887
SHAREHOLDERS' DEFICIENCY		
Share capital (Note 6)	31,845,367	31,600,367
Equity reserves (Notes 6)	2,549,072	2,549,072
Deficit	(35,072,506)	(34,965,748)
	(678,067)	(816,309)
	\$ 132,234	\$ 301,576

Nature and continuance of operations (Note 1)

Commitments (Note 11)

Events after the reporting period (Note 13)

Approved by the board on May 25, 2026:

Signed: "Douglas Ford"
Director

Signed: "Adam Ho"
Director

Waverunner Capital Inc.

(in Canadian Dollars)

Condensed Interim Statement of Comprehensive Loss (unaudited)

	Three months ended March 31,		Nine months ended March 31,	
	2026	2025	2026	2025
Expenses				
General and administrative (Note 5)	7,655	7,509	23,962	29,348
Insurance	331	356	994	1,069
Interest expense (Note 4)	5,508	6,424	17,412	21,963
Management fees (Note 5)	7,500	90,000	7,500	300,250
Professional fees	14,375	14,555	27,625	60,367
Transfer agent and regulatory fees	2,925	11,096	14,744	30,742
Foreign exchange	(2)	138	(5)	267
Other income	-	-	(9)	(10,800)
Loss	\$ (38,292)	(130,078)	(92,223)	(433,206)
Other loss (gain)				
Unrealized loss (gain) on investments (Note 12)	3,230	33,516	14,535	(538)
Loss and comprehensive loss	\$ (41,522)	(163,594)	(106,758)	(432,668)
Basic and diluted loss per share	\$ (0.00)	(0.03)	(0.02)	(0.09)
Weighted average number of shares outstanding - basic and diluted	9,861,555	4,961,555	6,857,176	4,961,555

Waverunner Capital Inc.

(in Canadian Dollars)

Condensed Interim Statement of Cash Flows (unaudited)

For the nine months ended March 31,	2026	2025
OPERATING ACTIVITIES		
Loss for the period	\$ (106,758)	\$ (432,668)
Items not affecting cash:		
Accrual of interest payable	17,412	21,963
Change in fair value of investment through profit or loss	14,535	(537)
Changes in non-cash working capital items:		
Receivables and prepaids	15,950	(1,329)
Accounts payable and accrued liabilities	(324,996)	248,498
Cash used in operating activities	(383,857)	(164,073)
INVESTING ACTIVITIES		
Sale of investment	200,000	-
Cash provided (used) in investing activities	200,000	-
FINANCING ACTIVITIES		
Private placement share issuance	245,000	-
Cash provided by (used in) financing activities	245,000	-
Change in cash and cash equivalents during the period	61,143	(164,073)
Cash and cash equivalents, beginning of period	11,111	203,808
Cash and cash equivalents, end of period	\$ 72,254	\$ 39,735
Cash paid for:		
Interest	\$ -	\$ -
Income taxes	\$ -	\$ -
Cash and cash equivalents comprises:	2026	2025
Cash	\$ 72,254	\$ 39,735
Cash equivalents	-	-
	\$ 72,254	\$ 39,735

Supplemental disclosure with respect to cash flows (Note 9)

Waverunner Capital Inc.

(in Canadian Dollars)

Condensed Interim Statement of Changes in Equity (unaudited) For the nine months ended March 31,

	Number of shares	Share capital	Equity reserves	Deficit	Total
Balance, June 30, 2024	4,961,555	\$ 31,600,367	\$ 2,549,072	\$ (34,422,551)	\$ (273,112)
Loss for the period	-	-	-	(432,668)	(432,668)
Balance, March 31, 2025	4,961,555	\$ 31,600,367	\$ 2,549,072	\$ (34,855,219)	\$ (705,780)
Balance, June 30, 2025	4,961,555	\$ 31,600,367	\$ 2,549,072	\$ (34,965,748)	\$ (816,309)
Loss for the period	-	-	-	(106,758)	(106,758)
Shares issued by private placement	4,900,000	245,000	-	-	245,000
Balance, March 31, 2026	9,861,555	\$ 31,845,367	\$ 2,549,072	\$ (35,072,506)	\$ (678,067)

Waverunner Capital Inc.

Notes to the condensed interim financial statements (unaudited)

For the six months ended March 31, 2026 and 2025

(in Canadian dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Waverunner Capital Inc. (the “Company”) was incorporated in the Province of British Columbia on March 14, 2008, under the Business Corporations Act of British Columbia. The name change to Waverunner Capital Inc. became effective June 24, 2024. The Company’s head office is located at Suite 208 – 828 Harbourside Drive, North Vancouver, British Columbia.

The Company is a venture capital investment company whose strategy is to focus on opportunistic investments across a broad range of industries, and is seeking to invest in early stage, promising companies where it may be the lead investor and can additionally provide investees with advisory services, mentoring and access to the Company’s management expertise. The Company operates as an investment company, rather than an investment fund. The Company seeks to invest wherever practicable for the purpose of being actively involved in the management of any target company in which it invests, including seeking board representation or board observation rights.

These condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. These condensed interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

The ability of the Company to continue to operate as a going concern is dependent on its ability to generate profitable operations and positive cash flows. As at March 31, 2026, the Company has an accumulated deficit of \$35,072,506. To date, the Company has generated no revenues from operations and will require additional funds to meet ongoing obligations and investment objectives. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern.

The Company’s future capital requirements will depend on many factors, including the operating and capital costs of locating, researching, developing, and acquiring investments that comply with its investment strategy. The Company’s anticipated operating losses and increasing working capital requirements will require that it obtain additional capital to continue operations. The Company will depend almost exclusively on outside capital. Such outside capital may include the sale of additional shares. There can be no assurance that capital will be available as necessary to meet ongoing obligations and operating objectives or, if the capital is available, that it will be on terms acceptable to the Company. These conditions and uncertainties may cast significant doubt as to the Company’s ability to continue as a going concern. The issuances of additional equity securities by the Company may result in significant dilution to the equity interests of its current shareholders. Obtaining commercial loans, assuming those loans would be available, would increase the Company’s liabilities and future cash commitments.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”). The financial statements follow the same accounting policies and methods of application as our most recent annual financial statements and do not include all of the information required for full annual financial statements. Accordingly, they should be read in conjunction with our IFRS financial statements for the fiscal year ended June 30, 2025. The accounting policies applied in these condensed interim financial statements are based on International Financial Reporting Standards (“IFRS”) issued and

Waverunner Capital Inc.

Notes to the condensed interim financial statements (unaudited)

For the six months ended March 31, 2026 and 2025

(in Canadian dollars)

outstanding as of May 25, 2026, the date the Board of Directors approved these condensed interim financial statements, and they are consistent with those disclosed in the annual financial statements.

Effective June 24, 2024, the Company consolidated its common share capital on a 10-old for 1-new basis, whereby each ten old shares are equal to one new share without par value. Effective January 10, 2025, the Company further consolidated its common share capital on a 15-old for 1-new basis, whereby each fifteen old shares are equal to one new share without par value. All references to common shares, stock options, warrants and weighted average number of shares outstanding in these condensed interim financial statements reflect both of these share consolidations unless otherwise noted.

Basis of Measurement

These condensed interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as fair value through profit or loss, which are stated at their fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information. These condensed interim financial statements are presented in Canadian dollars, unless otherwise noted, which is the functional currency of the Company.

3. MATERIAL ACCOUNTING POLICIES

These condensed interim financial statements have been prepared using the same accounting policies and methods of computation as those used in the preparation of the audited consolidated financial statements for the year ended June 30, 2025.

Cash and cash equivalents

The Company considers all highly liquid instruments, generally with a maturity of three months or less at the time of issuance, to be cash equivalents.

Critical accounting estimates and judgments

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in profit or loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical accounting estimates and judgments in applying accounting policies that have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities recognized in the condensed interim financial statements are discussed below:

Judgments:

The preparation of these unaudited condensed interim financial statements requires management to make judgments regarding the going concern of the Company, as discussed in Note 1.

Waverunner Capital Inc.

Notes to the condensed interim financial statements (unaudited)

For the six months ended March 31, 2026 and 2025

(in Canadian dollars)

Estimates:

Valuation of investments

The Company recognizes and carries its investments at fair value. Fair value is determined on the basis of market prices from independent sources, if available. If there is no market price, then the fair value is determined by using valuation models with inputs derived from observable market data where possible, but where observable data is not available, judgment is required to establish fair values. There is inherent uncertainty and imprecision in estimating the factors that can affect fair value, and in estimating fair values generally, when observable data is not available. Changes in assumptions and inputs used in valuing financial instruments could affect reported fair values.

Deferred income taxes

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. At the end of each reporting period, the Company reassesses unrecognized income tax assets.

Basic and diluted loss per share

The Company presents basic loss per share for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Financial instruments

Financial assets:

Financial assets are classified at initial recognition as either: amortized cost, fair value through profit or loss ("FVTPL"), or fair value through other comprehensive income ("FVTOCI"). The classification depends on the Company's business model for managing the financial assets and the contractual cash flow characteristics. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

Fair value through profit or loss – Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in profit or loss in the period in which they arise.

Fair value through other comprehensive income ("FVTOCI") - Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets at amortized cost - A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as

Waverunner Capital Inc.

Notes to the condensed interim financial statements (unaudited)

For the six months ended March 31, 2026 and 2025

(in Canadian dollars)

current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

Financial liabilities:

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss – This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statements of financial position at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities: This category consists of liabilities carried at amortized cost using the effective interest rate method.

The Company has classified its cash and investment as fair value through profit and loss. The Company's accounts payable and accrued liabilities, interest payable, convertible debentures, and notes payable are classified as other financial liabilities.

Share Capital

Proceeds from the exercise of stock options and warrants are recorded as share capital in the amount for which the option or warrant enabled the holder to purchase a share in the Company, in addition to the proportionate amount of equity reserves originally created at the issuance of the stock options or warrants. Share capital issued for non-monetary consideration is valued at the closing market price at the date of issuance. The proceeds from the issuance of units are allocated between common shares and common share purchase warrants based on the residual value method. Under this method, the proceeds are allocated to common shares based on the fair value of a common share at the issuance date of the unit offering and any residual remaining is allocated to common share purchase warrants. All professional fees and commissions incurred directly with the issue of the Company's shares are charged directly to share capital as share issue costs. Warrants issued to agents in connection with a financing are recorded at fair value and charged to share capital as a share issue cost an offsetting entry to equity reserves within shareholders' equity.

Foreign exchange

The functional and reporting currency of the Company and its subsidiaries is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

Transactions denominated in other currencies are translated into their Canadian dollar equivalents at exchange rates prevailing at the transaction date. Carrying values of monetary assets and liabilities denominated in foreign currencies are adjusted at the statement of financial position date to reflect exchange rates prevailing at that date. Non-monetary assets and liabilities are translated at historical exchange rates. Gains and losses on translation are included in determining profit or loss for the year.

Share-based payments

The fair value of stock options granted is recognized as share-based payment expense with a corresponding increase in equity reserves. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

Fair value is measured at grant date, and each tranche is recognized using the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to

Waverunner Capital Inc.

Notes to the condensed interim financial statements (unaudited)

For the six months ended March 31, 2026 and 2025

(in Canadian dollars)

reflect the actual number of stock options that are expected to vest. In situations where equity instruments are issued to consultants and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received

New Accounting Standards – Upcoming

Certain accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

On April 9, 2024, the IASB issued IFRS 18 "Presentation and Disclosure in the Financial Statements" ("IFRS 18") replacing IAS 1. IFRS 18 introduces categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures, and requirements to improve the aggregation and disaggregation of information in the financial statements. As a result of IFRS 18, amendments to IAS 7 were also issued to require that entities use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities and also to remove presentation alternatives for interest and dividends paid and received. Similarly, amendments to IAS 33 "Earnings per Share" were issued to permit disclosure of additional earnings per share figures using any other component of the statement of profit or loss, provided the numerator is a total or subtotal defined under IFRS 18. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and is to be applied retrospectively, with early adoption permitted. The Company is currently assessing the impact of the standard on its financial statements.

4. NOTES PAYABLE

Effective July 17, 2017, the Company issued unsecured Promissory Notes (the "Notes") to arm's length parties, and a former related party, for borrowings from those parties. The Notes mature on July 17, 2027, and bear interest at the Canadian prime rate plus 0.5% per annum, payable annually.

	Principal \$
Balance, June 30, 2024	443,959
Additions	-
Balance, June 30, 2025	443,959
Additions	-
Balance, March 31, 2026	443,959

As at March 31, 2026, accrued and unpaid interest on these Notes amounts to \$189,042 (June 30, 2025: \$171,630), which is presented as interest payable.

5. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and Officers.

During the periods ended March 31, 2026 and 2025, the Company entered into transactions with key management personnel and related parties as follows:

Waverunner Capital Inc.

Notes to the condensed interim financial statements (unaudited)

For the six months ended March 31, 2026 and 2025

(in Canadian dollars)

Related party	Nature of transactions
Pacific Equity Management Corp. ("PEMC")	Rent and shared office expenses commenced under a separate agreement on July 1, 2017.
Elbert Wong ("Wong")	Services rendered as CFO of the Company

The aggregate value of transactions involving key management personnel were as follows:

	2026	2025
CFO fees	\$ 7,500	\$ 30,000
Management fees ⁽¹⁾	\$ -	\$ 175,000

- (1) Effective March 1, 2021 agreements were executed with the CEO and President provides services at \$10,000 per month; the CFO/Secretary at \$10,000 per month; and the VP Corporate Development at \$10,000 per month. All of the March 1, 2021 agreements can be terminated by either party with six months' notice. Effective December 16, 2024, with changes in the management personnel, the monthly amount paid under service agreements dropped to \$30,000 per month. All of the March 1, 2021 agreements could be terminated by either party with six months' notice. All such agreements were terminated as of June 30, 2025.

The aggregate value of transactions with other related parties were as follows:

	2026	2025
Rent (general and administrative) ⁽²⁾	\$ 22,500	\$ 22,500

- ⁽²⁾ The Company is required to pay \$2,500 per month to PEMC (2024: \$2,500 per month). The agreement with PEMC can be terminated by either party with six months' notice.

6. SHARE CAPITAL AND EQUITY RESERVES

a) Authorized: Unlimited common shares without par value

b) Issued common shares

Period ended March 31, 2026

The Company issued 4,900,000 at \$0.05 per share via a non-brokered private placement.

Year ended June 30, 2025

The Company issued no common shares.

c) Warrants:

As at March 31, 2026 and 2025, no warrants were outstanding and exercisable.

d) Options:

The Company has a Stock Option Plan (the "Plan") that allows it to give to eligible persons, as additional compensation, the opportunity to participate in the success of the Company by granting to such individuals stock options, exercisable over periods of up to five years, as determined by the board of directors of the Company, to buy shares of the Company at a price equal to the market price prevailing on the date the stock option is granted less applicable discount, if any, permitted by the policies of the Canadian Securities Exchange and approved by the Board. The maximum number of Shares which may be issuable pursuant

Waverunner Capital Inc.

Notes to the condensed interim financial statements (unaudited)

For the six months ended March 31, 2026 and 2025

(in Canadian dollars)

to options granted under the Plan shall be that number equal to 10% of the Company's issued share capital from time to time.

	Options	Weighted Average Exercise Price \$
Balance, June 30, 2024	4,333	9.00
Expired	(4,333)	9.00
Balance, June 30, 2025 and March 31, 2026	-	-

As at March 31, 2026, no stock options were outstanding and exercisable.

7. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to pursue and complete the identification and evaluation of assets, properties, investments or businesses with a view to acquisition or participation in a transaction where it may be the lead investor and can additionally provide investees with advisory services, mentoring and access to the Company's management expertise, to maintain financial strength and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain credit worthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject. Capital is comprised of the Company's shareholders' equity. There were no changes made to the Company's capital management approach during the years presented.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or adjust the amount of cash and cash equivalents.

The Company operates as an investment company, rather than an investment fund. The Company seeks to invest wherever practicable for the purpose of being actively involved in the management of any target company in which it invests, including seeking board representation or board observation rights.

8. FINANCIAL INSTRUMENTS, FAIR VALUE MEASUREMENT AND RISK

a) Financial Instruments

The Company's financial instruments consist of cash, investment, accounts payable and accrued liabilities, interest payable and notes payable.

b) Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value, by reference to the reliability of the inputs used to estimate the fair values, as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – 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 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Waverunner Capital Inc.

Notes to the condensed interim financial statements (unaudited)

For the six months ended March 31, 2026 and 2025

(in Canadian dollars)

The fair value of cash is determined based on Level 1 inputs which consist of quoted prices in active markets for identical assets. The carrying values of accounts payable and accrued liabilities, interest payable and notes payable all approximate their fair values.

The fair value of the Investment is determined based on Level 1, 2 and 3 inputs, described in Note 12.

c) Financial Risks

(i) Credit Risk

Credit risk arises from the non-performance by counterparties of contractual financial obligations. The Company's maximum exposure to credit risk is \$72,254, consisting of cash and cash equivalents. The Company limits its exposure to credit loss for cash and cash equivalents by placing such instruments with high credit quality financial institutions. The values of these instruments may exceed amounts insured by an agency of the Government of Canada. In management's opinion, the Company's credit risk related to these instruments, is low.

(ii) Liquidity Risk (see Note 4)

The Company's approach to managing liquidity risk is to ensure that it will have sufficient financial resources to meet liabilities when due. As at March 31, 2026, the Company had a working capital deficit of \$289,018. Except for notes payable, all of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. As at March 31, 2026, the Company has insufficient working capital to discharge its existing financial obligations, refer to Note 1 for detail regarding going concern.

Below are the carrying amounts of the Company's note payables during the period:

	Principal \$
2027	443,959
Total	443,959

(iii) Interest Rate Risk

The Company is subject to interest rate risk as its cash and cash equivalents and its notes payable bear interest at variable rates. The impact of a 1% change in interest rates would have an insignificant impact on the Company's profit or loss.

(iv) Foreign Currency Risk

Currency risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Amounts subject to currency risk are primarily cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities denominated in United States dollars. A 10% change in foreign exchange rates is expected to have no impact on the Company's profit or loss.

(v) Price Risk

Price risk is the risk of variability in fair value due to movements in equity or market prices. As at March 31, 2026, the Company is exposed to this risk with respect to its investments. A 10% increase/decrease in the price of Investments would impact net loss by approximately \$5,500.

9. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

During the period ended March 31, 2026, the Company:

Waverunner Capital Inc.

Notes to the condensed interim financial statements (unaudited)

For the six months ended March 31, 2026 and 2025

(in Canadian dollars)

- Had no reclassifications to disclose.

During the period ended March 31, 2025, the Company:

- Had no reclassifications to disclose.

10. SEGMENTED INFORMATION

The Company operates in one reportable segment, being the business of investment in early stage companies. As at March 31, 2026 and 2025, with the exception of one investment (Note 12) held in the United States, all the Company's non-current assets were located in Canada.

11. COMMITMENTS

As at March 31, 2026, the Company's commitments are as follows:

- PEMC \$2,500 per month for rent and office services
- Payment of \$2,500 per month to the CFO

12. INVESTMENTS

The Company's equity investments are comprised of investments in common shares of Canadian publicly traded and non-public companies. The Company measures its equity investments at fair value through profit or loss ("FVTPL"). The cost and fair values of the equity investments at March 31, 2026 and the June 30, 2025 year-end are as follows:

	March 31, 2026		June 30, 2025	
Opening Balance	\$	269,445	\$	258,145
Disposals		(200,000)		-
Change in fair value gain (loss)		(14,535)		11,300
Ending Balance	\$	54,910	\$	269,445

- a) In a prior period, the Company invested \$200,000 into an Ontario limited partnership ("ONLP") formed to invest in long/short equity opportunities for both potential upside and downside expected price moves. The ONLP seeks to generate risk-adjusted returns through investment in companies with durable competitive advantages. ONLP's fair value will be measured monthly through Level 2 inputs. Effective July 31, 2025, the Company completed the sale of the ONLP investment for proceeds of \$200,000.

	March 31, 2026		June 30, 2025	
Cost		(\$ 200,000)		(\$ 200,000)
disposal		(200,000)		200,000
Unrealized gain (loss)		\$ nil		\$ nil

- b) In a prior period, the Company acquired 123,000 common shares of PlantFuel Life Inc. ("FUEL"), a Canadian Securities Exchange listed issuer. The Company invested \$99,130 pursuant to a market transaction related to FUEL's private placement of equity. According to the Company's accounting policies, investments must be recorded at fair value. The Company records the FUEL

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Notes to the condensed interim financial statements (unaudited)

For the six months ended March 31, 2026 and 2025

(in Canadian dollars)

investment as follows:

c)

	March 31, 2026	June 30, 2025
Cost	(\$78,978)	(\$78,978)
Fair value (Level 1 inputs)	-	-
Unrealized gain (loss)	(\$ 78,978)	(\$ 78,978)

- d) In a prior period, the Company completed a Subscription Agreement with Philippine Metals Inc. ("PHI"), a TSX Venture Exchange listed issuer. The Company invested \$174,000 in the PHI private placement of Subscription Receipts at \$0.50 per Subscription Receipt. PHI's private Placement was conducted pursuant to PHI's reverse takeover transaction with ReVolve Renewable Power Ltd ("ReVolve"). On March 8, 2022, the reverse takeover was completed, and the Subscription Receipts were converted into shares and warrants of Revolve. Effective March 17, 2022, the common shares of Revolve were listed on the TSX Venture Exchange under the trading symbol: REVV. Pursuant to the Company's accounting policies, investments must be recorded at fair value. The Company records the REVV investment as follows:

	March 31, 2026	June 30, 2025
Cost	(\$161,500)	(\$161,500)
Fair value (Level 1 inputs)	54,910	69,445
Unrealized gain (loss)	\$ (106,500)	\$ (92,055)

13. EVENTS AFTER THE REPORTING PERIOD

None to report.

Waverunner Capital Inc.



THE ATTACHED CONDENSED INTERIM FINANCIAL STATEMENTS FORM AN INTEGRAL PART OF THIS MANAGEMENT DISCUSSION AND ANALYSIS AND ARE HEREBY INCLUDED BY REFERENCE

Management Discussion and Analysis as of May 25, 2026

Introduction

This Management's Discussion and Analysis ("MD&A") should be read should be read in conjunction with the condensed interim financial statements for the period ended March 31, 2026, and with the audited financial statements for the year ended June 30, 2025 and 2024, together with the corresponding notes of Waverunner Capital Inc. (the "Company" or "Waverunner"). This MD&A covers the period ended March 31, 2026, and the subsequent period up to the date of filing.

The condensed interim financial statements of the Company have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"). The unaudited condensed interim financial statements follow the same accounting policies and methods of application as our most recent annual financial statements and do not include all the information required for full annual financial statements. Accordingly, they should be read in conjunction with our IFRS financial statements for the fiscal year ended June 30, 2025. The accounting policies applied in the unaudited condensed interim financial statements are based on International Financial Reporting Standards ("IFRS") issued and outstanding as of May 25, 2026, the date the Board of Directors approved these unaudited condensed interim financial statements, and they are consistent with those disclosed in the annual financial statements.

All amounts are expressed in Canadian dollars unless otherwise noted. Readers are encouraged to read the Company's public information filings on SEDAR+ at www.sedarplus.ca

Effective June 24, 2024, the Company consolidated its common share capital on a 10-old for 1-new basis, whereby each ten old shares are equal to one new share without par value. Effective January 10, 2025, the Company further consolidated its common share capital on a 15-old for 1-new basis, whereby each fifteen old shares are equal to one new share without par value. All references to common shares, stock options, warrants and weighted average number of shares outstanding in this document reflect both of these share consolidations unless otherwise noted.

This MD&A contains forward-looking information, such as statements regarding the Company's future plans and objectives that are subject to various risks and uncertainties, including those set forth in this document under the headings "Note Regarding Forward-Looking Statements" and "Risk Factors". The Company cannot assure investors that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. The results for the periods presented are not necessarily indicative of the results that may be expected for any future periods. Investors are cautioned not to place undue reliance on this forward-looking information.

Outlook

Waverunner Capital Inc. is a venture capital investment company whose strategy is to focus on opportunistic investments across a broad range of industries, and is seeking to invest in early stage, promising companies where it may be the lead investor and can additionally provide investees with advisory services, mentoring and access to the Company's management expertise. The Company operates as an investment company, rather than an investment fund. The Company seeks to invest wherever practicable for the purpose of being actively

involved in the management of any target company in which it invests, including seeking board representation or board observation rights. Existing holdings are in a consumer-targeted biotechnology venture, and a renewable energy developer in the wind and solar sector ("REVV"). During July 2025, the Company divested its interest in an Ontario limited partnership ("ONLP") which had been formed to take advantage of opportunistic long/short equity opportunities in both potential upside and downside expected price moves.

Effective December 15, 2025, the Company closed its previously announced private placement raising gross proceeds of \$245,000. These funds will be allocated to enhance working capital, resolve outstanding payables (including related party obligations), and drive future business initiatives. The closing of this financing marked a significant milestone for Waverunner Capital Inc. as it emerges from a period of restructuring and positions itself for renewed growth.

The Company continues to monitor its investment holdings and seek new investment opportunities.

Under the Company's Investment Policy, as amended October 2020, the Company is a publicly traded venture capital investment company whose primary objective is to invest its funds for the purpose of generating returns from capital appreciation and investment income. It intends to accomplish these goals through the identification of and investment in securities of private and publicly listed entities that are involved in a variety of industries, including, but not limited to, opportunities in the technology, health care, biotechnology, medical technology or related consumer products fields.

The Company operates as an investment company, rather than an investment fund. The Company seeks to invest wherever practicable for the purpose of being actively involved in the management of any target company in which it invests, including seeking board representation or board observation rights. The Company will aim to structure its investments in such a way that the Company is not deemed to be either an investment fund or mutual fund, as defined by applicable securities laws, thereby avoiding the requirement to register as an investment fund manager or investment advisor. Investments will be acquired and held for short-term gains, income generation, or long-term capital appreciation, dependent upon the specific investment. The paramount goal of the Company will be to generate maximum returns from its investments.

The composition of the Company's investment portfolio will vary over time depending on its assessment of a number of factors, including the performance of its investments, developments in existing and potential markets, and risk assessment. The Company's investment objectives, investment strategy and investment restrictions may be amended from time to time on the recommendation of the investment committee or senior management and approval by the Board. The Company's board of directors reserves the right and authority to change the general or specific focus of the Company's investments over time; and reserves the right to diversify the Company's portfolio of investments by industry, geography, and investment type without prior announcement or notice being given.

The Company anticipates re-investing the profits realized from its investments to further the growth and development of the Company's investment portfolio. The declaration and payment of dividends to shareholders will become a priority once Company has achieved steady or continuous cash flow from its investments.

Business objectives 12 months forward

During calendar 2020, 2021 and early 2022, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which included the implementation of travel bans, self-imposed quarantine periods and social distancing, caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets experienced significant volatility and weakness. Governments and central banks reacted with significant monetary and fiscal interventions designed to stabilize economic conditions.

In terms of composition, the nature and timing of the Company's investments will depend, in part, on available capital at any particular time and the investment opportunities identified and available to the Company. Subject to the availability of capital, the Company intends to create a diversified portfolio of investments. The composition of its investment portfolio will vary over time, and may include equity investments, secured or unsecured loans, asset acquisitions, bare land acquisitions, majority ownership, joint ventures and licensing arrangements, among others. All investments shall be made in compliance with applicable laws in relevant jurisdictions and shall be made in accordance with and governed by the rules and policies of applicable regulatory authorities.

Recent developments

Effective December 15, 2025, the Company issued 4,900,000 common shares at a price of \$0.05 per share, raising total gross proceeds of \$245,000. These funds will be allocated to enhance working capital, resolve outstanding payables (including related party obligations), and drive future business initiatives.

On July 31, 2025, the Company announced that it had arranged a non-brokered private placement of up to 4.9 million common shares at a price of \$0.05 per share for anticipated gross proceeds of up to \$245,000.

During July 2025, the Company divested its interest in an Ontario limited partnership ("ONLP") which had been formed to take advantage of opportunistic long/short equity opportunities in both potential upside and downside expected price moves. The Company realized \$200,000 from the sale.

Effective January 10, 2025, the Company consolidated its common share capital on a 15-old for 1-new basis, whereby each fifteen old shares are equal to one new share without par value.

Effective December 16, 2024, Waverunner accepted the resignation of Chief Executive Officer and director Karl Kottmeier. In a realignment of Waverunner's management team, Douglas Ford, Waverunner's Chief Financial Officer and Secretary, became the Chief Executive Officer; Elbert Wong expanded the role he has held with the Company since its inception as accountant to become the Chief Financial Officer and Secretary. Mr. Wong is a CPA/CMA with over 25 years of experience as a vice-president, finance, and corporate controller and, in those capacities, has been providing accounting, financial management and corporate reporting services to publicly listed and private corporations

Corporate Overview

Waverunner Capital Inc. (the "Company") was incorporated in the Province of British Columbia on March 14, 2008, under the Business Corporations Act of British Columbia. The Company's head office is located at Suite 208 – 828 Harbourside Drive, North Vancouver, British Columbia. On July 20, 2018, the Company requalified its common shares for a listing following a change of business to an "investment company" on the Canadian Securities Exchange.

With the December 30, 2022, sale of Chemistree Washington, and the May 31, 2024 wind-up of the former Delaware wholly-owned subsidiary American CHM Investments Inc. – the Company has no subsidiaries.

Overall Performance

The ability of the Company to continue to operate as a going concern is dependent on its ability to generate profitable operations and positive cash flows. To date, the Company has generated limited revenues from operations and will require additional funds to meet ongoing obligations and investment objectives. As a result, further losses are anticipated. As at March 31, 2026, the Company had a working capital deficit of \$289,018 (June 30, 2025: \$641,797) and an accumulated deficit of \$35,072,506 (June 30, 2025: 34,965,748).

As at March 31, 2026, the Company had insufficient working capital to discharge its current financial obligations. The Company's future capital requirements will depend on many factors, including the operating and capital costs of locating, researching, developing, and acquiring investments that comply with its investment strategy. The Company's anticipated operating losses and increasing working capital

requirements will require that it obtain additional capital to continue operations. The ability of the Company to continue to operate as a going concern is dependent on its ability to generate profitable operations and positive cash flows.

Selected Financial Data [Annual]

The following tables show selected summary financial information which have been derived from the annual financial statements of the Company.

		Year ended		
		June 30, 2025	June 30, 2024	June 30, 2023
Operating Revenue	\$	-	-	-
Net income (loss)	\$	(543,197)	(4,161,416)	(1,346,681)
Income (Loss) per share	\$	(0.11)	(3.80)	(3.75)
Share capital	\$	31,600,367	31,600,367	19,706,694
Common shares issued		4,961,555	4,961,555	436,635
Weighted average shares		4,961,555	1,093,800	359,275
Total Assets	\$	301,576	479,222	957,629
Net Assets (liabilities)	\$	(816,309)	(273,112)	(6,907,405)

Results of Operations

Nine months ended March 31, 2026

The Company continued to reduce all discretionary expenses where possible. Total expenses in the period were 78% lower than the 2025 period at \$92,223 compared to \$433,206. The largest expense reduction was attributable to the elimination of \$292,750 in management fees, which were terminated effective June 30, 2025. Overall, all expense categories were lowered. Comprehensive loss for the 2026 period was 75% lower than in 2025, \$106,758 versus \$432,668. In total, the Company expended \$383,857 in cash used in operations, versus \$164,073 in 2025. All the Company's expenditures are related to management and pursuit of its investments, ongoing business development and general corporate operations.

Year ended June 30, 2025

The Company continued to reduce all discretionary expenses where possible; cash used in operations was reduced 54% to \$192,697 in 2025 versus \$419,981 in 2024. Total expenses in 2025 were 62% lower than 2024 at \$554,497 compared to \$1,468,917. The largest expense reduction was attributable to the elimination of \$774,474 in accretion and finance costs reflecting the debt restructuring in the prior year. Notably – general & administrative expenses, management fees and professional fees were significantly reduced in 2025, most other expense categories were within a similar range year to year. Comprehensive loss for 2025 was 87% lower than in 2024, \$543,197 versus \$4,161,416.

Fluctuations in Results

As stated above, operating results fluctuated due to the pursuit of investment and expansion opportunities under the Company's Investment Policy.

Selected Financial Data [Quarterly - unaudited]
(Expressed in Canadian Dollars)

	Quarter Ended							
	3/31/2026	12/31/2025	9/30/2025	6/30/2025	3/31/2025	12/31/2024	9/30/2024	6/30/2024
Operating revenue	-	-	-	-	-	-	-	-
Comprehensive (loss) Earnings (loss) per share	\$ (41,522)	(35,492)	(29,744)	(110,529)	(163,594)	(131,810)	(137,265)	(3,451,900)
Share capital Common shares issued	\$ 31,845,367	31,845,367	31,600,367	31,600,367	31,600,367	31,600,367	31,600,367	31,600,367
Weighted average shares outstanding	9,861,555	9,861,555	4,961,555	4,961,555	4,961,555	4,961,555	4,961,555	4,961,555
Total Assets	\$ 132,234	363,558	138,552	301,576	314,359	364,441	333,829	479,222
Net Assets (liabilities)	\$ (678,067)	(636,545)	(846,053)	(816,309)	(705,780)	(542,187)	(410,377)	(273,112)

Liquidity and Capital Resources

As at March 31, 2026, the Company had cash on hand of \$72,254 (June 30, 2025: \$11,111); and a working capital deficit of \$289,018 (June 30, 2025: \$641,797).

Given the various projects the Company is handling in the short and medium terms, management considers the current cash balance and forecast net cash flows from operating activities for the next 12 months to be insufficient for its planned business development activities.

Additional Disclosure for Issuers Without Significant Revenue

The business of the Company entails significant risks, and the following is a general description of all material risks, which can adversely affect the business and in turn the financial results, ultimately affecting the value of an investment in the Company. The Company does not have significant revenues. The Company has limited funds. There is no assurance that the Company can access additional capital. The future requirements for additional capital will require issuance of common shares resulting in a dilution of the share capital issued previously.

General and administrative expense breakdown	9-months ended March 31,	
	2026	2025
	\$	\$
Communications	-	6,744
Bank service charges	1,462	62
Postage and delivery	-	42
Rent	22,500	22,500
	<u>23,962</u>	<u>29,348</u>

Risk Factors

Investing in our securities involves a high degree of risk. Readers should carefully consider the following risks in addition to the other information included in this MD&A and our financial statements, including related notes, before deciding to purchase our common shares. If any of the following risks actually occur, our business, financial condition and results of operations could materially suffer. As a result, the trading price of our securities, including common shares, could decline and you could lose part or all of your investment. The risks set out below are not the only risks we face; risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially and adversely affect our business, financial condition and results of operations. You should also refer to information set out in our condensed interim financial statements for the period ended March 31, 2026, and the information set out in our consolidated financial statements for the years ended June 30, 2025 and 2024.

Risks Associated with our Business and Industry

Loss of business and/or opportunities due to perceived risk

Third parties with whom the Company and its investee companies do business, including banks and other financial intermediaries, may perceive that they are exposed to legal and reputational risk because of the Company's prior cannabis-related business activities. Financial institutions may also be concerned that they would be at risk of prosecution for violation of U.S. money laundering laws and the Bank Secrecy Act, in addition to other potential violations. Any third-party service provider could suspend or withdraw its services to the Company or its investee companies if it perceives that the potential risks exceed the potential benefits to such services. If the Company's investments operating in the U.S. are unable to utilize financial institutions or third-party services providers, or bank accounts are subject to special restrictions preventing the processing of wire transfers, they may be unable to meet payment obligations to the Company or pay dividends or other amounts to the Company.

Cash flows insufficient to meet capital expenditures

Lack of cash flow may affect the Company's ability to continue as a going concern. Presently, the Company's operating cash flows are not sufficient to meet operating and capital expenses. The Company's business plan calls for continued research and development of the Company's services and products and expansion of market share. The Company will require additional financing to fund working capital and pay for operating expenses and capital requirements until it can achieve positive cash flow.

The occurrence of any of the aforementioned events could adversely affect the Company's ability to carry out proposed business plans. The Company depends on a mix of revenues and outside capital to pay for the continued development of its business offering and the marketing of its products. Such outside capital may include the sale of additional stock and/or commercial borrowing. There can be no assurance that capital will continue to be available if necessary to meet these continuing development costs or, if the capital is available, that it will be on terms acceptable to the Company. Disruptions in financial markets and challenging economic conditions have and may continue to affect the Company's ability to raise capital. The issuance of additional equity securities by the Company would result in a dilution, possibly a significant dilution, in the equity interests of current stockholders. Obtaining commercial loans, assuming those loans would be available, will increase the Company's liabilities and future cash commitments.

The Company's future revenue, operating results and gross margin may fluctuate significantly and unpredictably from quarter-to-quarter and from year-to-year, which could have a material adverse effect on its operating results. However, there is no assurance that actual cash requirements will not exceed the Company's estimates.

If the Company is not able to manage operating expenses, then the Company's financial condition may be adversely affected.

The Company's ability to reach and maintain profitability is conditional upon its ability to manage operating expenses. There is a risk that the Company will have to increase operating expenses in the future. Factors that could cause the Company's operating expenses to increase include the Company's determination to spend more on sales and marketing in order to increase product sales or the Company's determination that more research and development expenditures are required in order to keep current software products competitive or in order to develop new products for the market. To the extent that the Company's operating expenses increase without a corresponding increase in revenue, the Company's financial condition would be adversely impacted.

Competition

The Company faces larger and better-financed competitors, which may affect its ability to achieve or maintain profitability and complete investments. Competition exists for social media, branding and marketing companies in the jurisdictions in which the Company conducts operations and competition is significant in the investment sector. As a result of this competition, much of which is with large, established companies with substantially greater financial and technical resources than the Company, the Company may be unable to acquire additional clientele or identify additional investments on terms it considers acceptable or at all. The Company also competes with other investment companies in the recruitment and retention of qualified employees.

Intellectual property litigation

The Company may in the future be subject to damaging and disruptive intellectual property litigation that could materially and adversely affect business, results of operations and financial condition, as well as the continued viability of the Company. The Company may be unaware of filed patent applications and issued patents that could relate to its products and services. Intellectual property litigation, if determined against the Company, could:

- result in substantial employee layoffs or risk the permanent loss of highly-valued employees;
- materially and adversely affect the Company's brand in the marketplace and cause a substantial loss of goodwill;
- affect the Company's ability to raise additional capital;
- cause the Company's stock price to decline significantly; and
- lead to the bankruptcy or liquidation of the Company.

Parties making claims of infringement may be able to obtain injunctive or other equitable relief that could effectively block the Company's ability to provide its products or services and could cause the Company to pay substantial royalties, licensing fees or damages. The defense of any lawsuit could result in time-consuming and expensive litigation, regardless of the merits of such claims.

The Company could lose its competitive advantages if it is not able to protect any proprietary technology and intellectual property rights against infringement, and any related litigation could be time-consuming and costly. The measures the Company takes to protect the proprietary technology software, and other intellectual property rights, which presently are based upon a combination of patents, patents pending, copyright, trade secret and trademark laws, may not be adequate to prevent their unauthorized use. Further, the laws of foreign countries may provide inadequate protection of such intellectual property rights. The Company may need to bring legal claims to enforce or protect such intellectual property rights. Any litigation, whether successful or unsuccessful, could result in substantial costs and divert resources from intended uses. In addition, notwithstanding any rights we have secured in the Company's intellectual property, other persons may bring claims against us that we have infringed on their intellectual property rights, including claims based upon the content we license from third parties or claims that the Company's intellectual property right interests are not valid. Any claims against the Company, with or without merit, could be time consuming and costly to defend or litigate, divert our attention and resources, result in the loss of goodwill associated with the Company's service marks or require the Company to make changes to its website or its other technologies.

Risks associated with developing and promoting products and brands

The Company expects that new products and/or brands it develops may expose the Company to risks that may be difficult to identify until such products and/or brands are commercially available. Any negative events or results that may arise as the Company develops new products or brands may adversely affect the business, financial condition and results of operations.

Dependence upon, and need for, key personnel

The Company is, and will be for the foreseeable future, dependent upon the performance of a limited number of key personnel. The loss of a key individual or a reduction in the time devoted by such persons to the Company's business could have a materially adverse effect on the Company's business. The Company's future success will depend on part on its ability to attract and retain highly qualified personnel. The Company faces competition for such personnel from other companies, governmental/academic institutions and other organizations, many of which have significantly greater resources than the Company. There is no assurance that the Company will be able to attract and retain the necessary personnel on acceptable terms, or at all.

Dependence on management

The Company will be dependent upon the personal efforts and commitment of its management, which is responsible for the development of future business. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

Potential conflicts of interest

Certain of the Company's directors and officers may serve as directors and/or officers of other public and private companies and devote a portion of their time to manage other business interests. This may result in certain conflicts of interest, to the extent that such other companies may participate in ventures in which the Company is also participating. The laws of British Columbia require the directors and officers to act honestly, in good faith, and in the best interests of the Company. In addition, each director must declare his or her interest and abstain from voting on any contract or transaction in which the director may have a conflict of interest.

Risks relating to statutory and regulatory compliance

Failure to comply with applicable laws, regulations and permits may result in enforcement actions there under, including the forfeiture of claims, orders issued by regulatory or judicial authorities requiring operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or costly remedial actions. The Company is not currently covered by any form of environmental liability insurance. See "Insurance Risk", below.

Existing and possible future laws, regulations and permits governing operations and activities of exploration companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures or require abandonment or delays in exploration.

Insurance risk

No assurance can be given that insurance to cover the risks to which the Company's activities are subject will be available at all or at commercially reasonable premiums. The Company seeks to maintain insurance within ranges of coverage which it believes to be consistent with industry practice for companies of a similar stage of development. If the Company is unable to fully fund the cost of remedying an environmental problem, it might be required to suspend operations or enter into costly interim compliance measures pending completion of a permanent remedy.

Operating losses; dividends unlikely

The Company has a history of operating losses and may have operating losses and a negative cash flow in the future. The Company has not paid any dividends since the date of its incorporation, and it is not anticipated that dividends will be declared in the short or medium term.

Investment risks:

The Company acquires securities of public and private companies from time to time, which are primarily junior or small-cap companies. The market values of these securities can experience significant fluctuations in the short and long term due to factors beyond the Company's control. Market value can be reflective of the actual or anticipated operating results of the companies and/or the general market conditions that affect a specific sector as a whole, such as fluctuations in commodity prices and global political and economical conditions. The Company's investments are carried at fair value, and unrealized gains/losses on the securities and realized losses on the securities sold could have a material adverse impact on the Company's operating results. In recent years equity markets have experienced extreme price and volume fluctuations. These fluctuations have had a substantial effect on market prices, often unrelated to the operating performance of the specific companies.

Investments may be pre-revenue

The Company may make investments in entities that have no significant sources of operating cash flow and no revenue from operations. As such, the Company's investments are subject to risks and uncertainties that new companies with no operating history may face. In particular, there is a risk that the Company's investments will not be able to: (i) implement or execute their current business plan, or create a business plan that is sound; (ii) maintain their anticipated management team; and/or (iii) raise sufficient funds in the capital markets or otherwise to effectuate their business plan. If the Company's investments cannot execute any one of the foregoing, their businesses may fail, which could have a materially adverse impact on the business, financial condition and operating results of the Company.

Lack of control over operations of investments

The Company will depend upon its investments or strategic relations to execute on their business plans and holds contractual rights and minority equity interest relating to the operation of the Company's investments. The operators of the Company's investments have significant influence over the results of operations of the Company's investments. Further, the interests of the Company and the operators of the Company's investments may not always be aligned. As a result, the cash flows of the Company are dependent upon the activities of third parties which creates the risk that at any time those third parties may: (i) have business interests or targets that are inconsistent with those of the Company; (ii) take action contrary to the Company's policies or objectives; (iii) be unable or unwilling to fulfill their obligations under their agreements with the Company, to regulators or under applicable laws, which may result in the loss of necessary governmental approvals or licenses; or (iv) experience financial, operational or other difficulties, including insolvency, which could limit or suspend a third party's ability to perform its obligations. In addition, payments may flow through the Company's investments, and there is a risk of delay and additional expense in receiving such revenues. In addition, the Company must rely, in part, on the accuracy and timeliness of the information it receives from the Company's investments, and uses such information in its analysis, forecasts and assessments relating to its own business. If the information provided by investment entities to the Company contains material inaccuracies or omissions, the Company's ability to accurately forecast or achieve its stated objectives, or satisfy its reporting obligations, may be materially impaired.

Investments in private companies and illiquid assets

The Company invests in securities of private issuers. Investments in private issuers cannot be resold without a prospectus, an available exemption, or an appropriate ruling under relevant securities legislation and there may not be any market for such securities. These limitations may impair the Company's ability to react quickly to market conditions or negotiate the most favourable terms for exiting such investments. Investments in private issuers may offer relatively high potential returns, but will also be subject to a relatively high degree of risk. There can be no assurance that a public market will develop for any of the Company's private company investments or that the Company will otherwise be able to realize a return on such investments. The Company also invests in illiquid securities of public issuers. A considerable period of time may elapse between the time a decision is made to sell such securities and the time the Company is able to do so, and the value of such securities could decline during such period. Illiquid investments are subject to various risks, particularly the risk that the Company will be unable to realize the Company's investment objectives by sale or other

disposition at attractive prices or otherwise be unable to complete any exit strategy. In some cases, the Company may be prohibited by contract or by law from selling such securities for a period of time or otherwise be restricted from disposing of such securities. Furthermore, the types of investments made may require a substantial length of time to liquidate.

Risks associated with investments

As part of the Company's investment strategy, the Company intends to pursue strategic investment or acquisitions, which could provide additional product offerings, vertical integrations, additional industry expertise, and a stronger industry presence in both existing and new jurisdictions. The success of any such investments or acquisitions will depend, in part, on the ability of the Company to realize the anticipated benefits and synergies from integrating those companies into the businesses of the Company. Future investments may expose it to potential risks, including risks associated with: (a) the integration of new operations, services and personnel; (b) unforeseen or hidden liabilities; (c) the diversion of resources from the Company's existing business and technology; (d) potential inability to generate sufficient revenue to offset new costs; (e) the expenses of acquisitions; (f) the potential loss of or harm to relationships with both employees and existing users resulting from its integration of new businesses; and (g) exposure to additional regulatory or legal regimes or risks. In addition, any proposed acquisitions may be subject to regulatory approval.

While Waverunner seeks to conduct due diligence that its management believes is reasonable given the scale and scope of its investments, there are both foreseen and unforeseen risks inherent in any investment. Specifically, there could be unknown or undisclosed risks or liabilities of such companies or liabilities that transfer by operation of law with respect to asset acquisitions for which the Company may not be indemnified sufficiently or at all. Any such unknown or undisclosed risks or liabilities could materially and adversely affect the Company's financial performance and results of operations and lead to write downs or write offs of the value of its investments. The Company may incur additional transactional and integration related costs or experience other factors such as the failure to realize all of the benefits from the acquisition.

The Company will operate as an investment company, rather than an investment fund. The Company seeks to invest wherever practicable for the purpose of being actively involved in the management of any target company in which it invests, including seeking board representation or board observation rights. Regulators may deem that the Company is an "investment fund", requiring that the Company would incur significant costs, additional liabilities, and risks under the registration requirements required as an investment fund.

Operating licenses

The Company's investments may not be able to obtain or maintain the necessary licenses, permits, authorizations or accreditations, or may only be able to do so at great cost, to operate their respective businesses.

Litigation risks

Waverunner's investments may lead to litigation, formal or informal complaints, enforcement actions, and inquiries by various federal, state, or local governmental authorities against the Company or its investments. Litigation, complaints, and enforcement actions involving either of the Company or its investments could consume considerable amounts of financial and other corporate resources, which could have an adverse effect on the Company's future cash flows, earnings, results of operations and financial condition.

Regulatory or agency proceedings, investigations and audits

The Company's business requires compliance with many laws and regulations. Failure to comply with these laws and regulations could subject the Company to regulatory or agency proceedings or investigations and could also lead to damage awards, fines and penalties. The Company may become involved in a number of government or agency proceedings, investigations and audits. The outcome of any regulatory or agency proceedings, investigations, audits, and other contingencies could harm the Company's reputation, require the Company to take, or refrain from taking, actions that could harm its operations or require payment of substantial amounts of money, harming the Company's financial condition. There can be no assurance that

any pending or future regulatory or agency proceedings, investigations and audits will not result in substantial costs or a diversion of management's attention and resources or have a material adverse impact on the Company's business, financial condition and results of operations.

Product Liability

Certain of the Company's investments or strategic partners may manufacture, process and/or distribute products for consumption by humans and, as a result, face an inherent risk of exposure to product liability claims, regulatory action and litigation. A product liability claim or regulatory action against Waverunner's investments or strategic partners may result in increased costs, adversely affect the Company's reputation, and have a material adverse effect on the results of operations and financial condition of the Company or its investments.

Fraudulent or Illegal activity by its employees, contractors and consultants

The Company is exposed to the risk that its employees, independent contractors and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to the Company that violates: (i) government regulations; (ii) manufacturing standards; (iii) federal and provincial healthcare fraud and abuse laws and regulations; or (iv) laws that require the true, complete and accurate reporting of financial information or data. It is not always possible for the Company to identify and deter misconduct by its employees and other third parties, and the precautions taken by the Company to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting the Company from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against Waverunner, and it is not successful in defending itself or asserting its rights, those actions could have a significant impact on the Company's business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of the Company's operations, any of which could have a material adverse effect on the Company's business, financial condition and results of operations

Currency fluctuations

The Company's revenues and expenses are expected to be primarily denominated in U.S. dollars, and therefore may be exposed to significant currency exchange fluctuations. Recent events in the global financial markets have been coupled with increased volatility in the currency markets. Fluctuations in the exchange rate between the U.S. dollar and the Canadian dollar may have a material adverse effect on the Company's business, financial condition and operating results.

Risks associated with managing growth

The Company is currently in an early development stage and may be subject to growth-related risks, including capacity constraints and pressure on the Company's internal systems and controls, which may place significant strain on operational and managerial resources. The Company's ability to manage growth effectively will require it to continue to implement and improve operational and financial systems and to expand, train and manage its employee base. There can be no assurances that the Company will be able to manage growth successfully. Any inability to manage growth successfully could have a material adverse effect on the Company's business, financial condition and results of operations.

Perception of reputational risk from third-parties

The parties the Company does business with may perceive that they are exposed to reputational risk as a result of the Company's previous cannabis-related business activities. Failure to establish or maintain business relationships could have a material adverse effect on the Company's business, financial condition and results of operations. Any third-party service provider could suspend or withdraw its services to the Company if it perceives that the potential risks exceed the potential benefits to such services.

An exchange on which our common shares are listed may initiate a delisting review

The listing of the Company's common shares on a particular stock exchange is dependent on complying with the listing requirements of the applicable exchange. As the Company previously operated in the cannabis industry, it may from time to time be subject to additional listing requirements that are not applicable to companies in other industries.

Risks Related to Ownership of Waverunner's Common Shares

Stock price volatility

A decline in the price of the Company's common shares could affect its ability to raise further working capital and adversely impact our operations. A prolonged decline in the price of the Company's common shares could result in a reduction in the liquidity of the Company's common shares and a reduction in its ability to raise capital, or a delisting from a stock exchange on which the Company's common shares trades. Because the Company's operations have been partially financed through the sale of equity securities, a decline in the price of its common shares could be especially detrimental to the Company's liquidity and continued operations. Any reduction in the Company's ability to raise equity capital in the future would force the Company to reallocate funds from other planned uses and would have a significant negative effect on business plans and operations, including the Company's ability to develop new products and continue current operations. If the Company's shares price declines, there can be no assurance that the Company can raise additional capital or generate funds from operations sufficient to meet its obligations.

Sales by shareholders of a substantial number of Common Shares

A substantial portion of total outstanding Common Shares may be sold into the market. Such sales could cause the market price of Common Shares to drop, even if the business is doing well. Such sales may include sales by officers and directors of the Company. Furthermore, the market price of Common Shares could decline as a result of the perception that such sales could occur. These sales, or the possibility that these sales may occur, also might make it more difficult for the Company to sell equity securities in the future at a time and price that the Company deems appropriate.

Dilution

Issuances of additional securities at or near the current share price of the Company would result in significant dilution of the equity interests of any persons who are holders of common shares.

No Requirement to make representations relating to disclosure controls and procedures and internal control over financial reporting.

In contrast to the certificate required for non-venture issues under NI 52-109, the certifying officers of Waverunner, as a venture issuer, are not required to make representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers of Waverunner are not required to make any representations that they have:

- designed, or caused to be designed, DC&P to provide reasonable assurance that information required to be disclosed by Waverunner in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

- designed, or caused to be designed, ICFR to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Waverunner's GAAP.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Unfavorable or lack of research and reports from research analysts

The trading market for Waverunner’s common shares will rely in part on the research and reports that equity research analysts publish about Waverunner and Waverunner’s business. Waverunner does not control these analysts. The price of Waverunner’s common shares could decline if one or more equity analysts downgrade Waverunner’s common shares or if analysts issue other unfavorable commentary or cease publishing reports about Waverunner or Waverunner’s business.

Related Party Transactions

Related party transactions occurred in the normal course of business and have been recorded at the exchange amount; which is the fair value agreed to between the parties. Amounts due to related parties are unsecured, non-interest bearing and without specific terms of repayment.

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company’s Board of Directors and Officers.

During the periods ended March 31, 2026 and 2025, the Company entered into transactions with key management personnel and related parties as follows:

Related party	Nature of transactions
Pacific Equity Management Corp. (“PEMC”)	Rent and shared office expenses commenced under a separate agreement on July 1, 2017.
Elbert Wong (“Wong”)	Services of the CFO

The aggregate value of transactions involving key management personnel were as follows:

	2026	2025
CFO fees	\$ 7,500	\$ 30,000
Management fees ⁽¹⁾	\$ -	\$ 175,000

⁽¹⁾ Effective March 1, 2021 agreements were executed with the CEO and President provides services at \$10,000 per month; the CFO/Secretary at \$10,000 per month; and the VP Corporate Development at \$10,000 per month. All of the March 1, 2021 agreements could be terminated by either party with six months’ notice. All such agreements were terminated as of June 30, 2025.

The aggregate value of transactions with other related parties were as follows:

	2026	2025
Rent (general and administrative) ⁽²⁾	\$ 22,500	\$ 22,500

⁽²⁾ The Company is required to pay \$2,500 per month to PEMC (2024: \$2,500 per month). The agreement with PEMC can be terminated by either party with six months’ notice.

Table of Contractual Obligations

Contractual Obligations:	Payments Due by Period
Rent & Office Services Contract with	PEMC
Pursuant to a Services Agreement dated as of July 1, 2017, the Company has agreed to pay to PEMC \$2,500 per month, plus taxes for the provision of office space, office equipment and associated administrative services. The	\$2,500 per month

Agreement may be terminated by either party on six months' notice.	
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Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements.

Critical Accounting Estimates

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions.

Proposed Transactions

None.

Accounting Changes

Change in Accounting Policies

New Accounting Standards - Upcoming

Certain accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

On April 9, 2024, the IASB issued IFRS 18 "Presentation and Disclosure in the Financial Statements" ("IFRS 18") replacing IAS 1. IFRS 18 introduces categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures, and requirements to improve the aggregation and disaggregation of information in the financial statements. As a result of IFRS 18, amendments to IAS 7 were also issued to require that entities use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities and also to remove presentation alternatives for interest and dividends paid and received. Similarly, amendments to IAS 33 "Earnings per Share" were issued to permit disclosure of additional earnings per share figures using any other component of the statement of profit or loss, provided the numerator is a total or subtotal defined under IFRS 18. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and is to be applied retrospectively, with early adoption permitted. The Company is currently assessing the impact of the standard on its financial statements.

Financial Instruments and Other Instruments

Capital Disclosure

The Company's objectives when managing capital are to pursue and complete the identification and evaluation of assets, properties, investments or businesses with a view to acquisition or participation in a transaction where it may be the lead investor and can additionally provide investees with advisory services, mentoring and access to the Company's management expertise, to maintain financial strength and to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain credit worthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject. Capital is comprised of the Company's shareholders' equity. There were no changes made to the Company's capital management approach during the years presented.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or adjust the amount of cash and cash equivalents.

The Company operates as an investment company, rather than an investment fund. The Company seeks to invest wherever practicable for the purpose of being actively involved in the management of any target company in which it invests, including seeking board representation or board observation rights

Financial Instruments, Fair Value Measurement and Risk

a) Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, investment, accounts payable and accrued liabilities, interest payable and notes payable.

b) Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value, by reference to the reliability of the inputs used to estimate the fair values, as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – 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 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of cash and cash equivalents and marketable securities are determined based on Level 1 inputs which consist of quoted prices in active markets for identical assets. The carrying values of receivables, note receivable, accounts payable and accrued liabilities, due to related parties, interest payable and notes payable all approximate their fair values.

c) Financial Risks

(i) Credit Risk

Credit risk arises from the non-performance by counterparties of contractual financial obligations. The Company's maximum exposure to credit risk is \$300,914, consisting of cash and cash equivalents. The Company limits its exposure to credit loss for cash and cash equivalents by placing such instruments with high credit quality financial institutions. The values of these instruments may exceed amounts insured by an agency of the Government of Canada. In management's opinion, the Company's credit risk related to these instruments, is low.

(ii) Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient financial resources to meet liabilities when due. As at March 31, 2026, the Company had a working capital deficit of \$289,018. Except for notes payable, all of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. As at March 31, 2026, the Company has insufficient working capital to discharge its existing financial obligations.

(iii) Interest Rate Risk

The Company is subject to interest rate risk as its cash and cash equivalents, and notes payable bear interest at variable rates. The impact of a 1% change in interest rates would have an insignificant impact on the Company's profit or loss.

(iv) Foreign Currency Risk

Currency risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Amounts subject to currency risk are primarily cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities denominated in United States dollars. A 10% change in foreign exchange rates is expected to have an insignificant impact on the Company's profit or loss.

(v) Price Risk

Price risk is the risk of variability in fair value due to movements in equity or market prices. As at March 31, 2026, the Company is exposed to this risk with respect to its investments. A 10% increase/decrease in the price of Investments would impact net loss by approximately \$5,500.

Disclosure Controls and Procedures

Management has established processes, which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the financial statements do not contain any untrue statement of 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 is made, as of the date of and for the periods presented by the financial statements and that (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the financial statements.

In contrast to the certificate required under National Instrument 52-109 - Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Company utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal controls over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing Venture Issuer Basic Certificate are not making any representations relating to the establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of the Company to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Share Capital Data

The following table sets forth the Company's share capital data as at May 25, 2026:

Common Shares	
-issued	&
outstanding	9,861,555
Options & warrants	nil

Note Regarding Forward-Looking Statements

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements.

Statements contained in this MD&A that are not historical facts are forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements include, but are not limited to, statements with respect to permitting timelines, currency fluctuations, requirements for additional capital, government regulation, environmental risks, limitations on insurance coverage and the timing and possible outcome of pending litigation. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and other factors include, among others, risks related to the integration of acquisitions; risks related to operations; risks related to joint venture operations; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; as well as those factors discussed in the sections entitled "Risk Factors " in this MD&A. Although the Company has attempted to identify important factors that could affect the Company and may cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this MD&A speak only as of the date hereof. The Company does not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events.

Forward-looking statements and other information contained herein concerning general expectations are based on estimates prepared by the Company using data from publicly available industry sources as well as from market research and industry analysis and on assumptions based on data and knowledge of this industry which the Company believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While the Company is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors. Forward-looking statements in this MD&A include, but are not limited to, the Company's strategies and objectives, both generally and in respect of its existing business and planned business operations; conditions in the financial markets generally, and the Company's future cash requirements; the identification and completion of additional investments; investment and expansion opportunities; the industry, regions and goals of the Company's investment policy; the Company's ability to raise additional equity capital; and the sufficiency of the Company's capital resources.

Further Information

Additional information about the Company, including its unaudited condensed interim financial statements for the period ended March 31, 2026, is available at the Company's website www.waverunnercapital.com and on the SEDAR+ website at www.sedarplus.ca.