



SEVEN ∞ OAKS

SEVEN OAKS CAPITAL CORP.

(A Capital Pool Company)

Management's Discussion & Analysis

For the years ended December 31, 2023 and 2022

March 5, 2024

The following management's discussion and analysis ("MD&A") of the financial condition and results of operations of Seven Oaks Capital Corp. ("Seven Oaks" or the "Corporation") was prepared by management of the Corporation as of March 5, 2024 and should be read in conjunction with the Corporation's audited financial statements and related notes for the year ended December 31, 2023 and 2022. This MD&A has been prepared in compliance with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations and the Corporation's financial statements and financial data have been prepared in accordance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). All amounts are expressed in Canadian dollars unless otherwise stated. Other information contained in this document has also been prepared by management and is consistent with the data contained in the Financial Statements.

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

The Audit Committee and the Board of Directors provide an oversight role with respect to all public financial disclosures by the Corporation. The Board of Directors approves the Financial Statements and MD&A after the completion of its review and recommendation for approval by the Audit Committee, which meets periodically to review all financial reports, prior to filing.

The Corporation's financial statements, MD&A and all other continuous disclosure documents are filed with Canadian securities regulators and are available for review under the Seven Oaks Capital Corp. profile on SEDAR at www.sedarplus.ca.

Forward-Looking Statements

Certain information contained in this MD&A constitutes forward-looking information, which is information regarding possible events, conditions or results of operations of the Corporation that is based upon assumptions about future economic conditions and courses of action which is inherently uncertain. All information other than statements of historical fact may be forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words or phrases (including negative variations) suggesting future outcomes or statements regarding an outlook. Forward-looking information contained in this MD&A includes, without limitation, our expectations regarding anticipated investment activities and results and financing activities, our ability to identify, negotiate and complete a Qualifying Transaction, the impact of changes in accounting policies and other factors on our operating results, and the performance of global capital markets and interest rates.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The Corporation believes the expectations reflected in the forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and readers are cautioned not to place undue reliance on forward-looking information contained in this MD&A.

The forward-looking information contained in this MD&A is provided as of the date hereof and the Corporation undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as otherwise required by law. All forward-looking information contained in this MD&A is expressly qualified by this cautionary statement.

Summary of Significant Accounting Policies

Management's discussion and analysis of operating results and financial condition are made with reference to the Corporation's financial statements and notes thereto for the years ended December 31, 2023 and 2022, which have been prepared in accordance with IFRS. The Corporation's significant accounting policies are summarized in detail in note 3 of the Corporation's financial statements for the years ended December 31, 2023 and 2022, and are available under the Corporation's profile on www.sedarplus.ca.

Nature and Description of the Business

Seven Oaks Capital Corp. was incorporated under the *Business Corporations Act (Ontario)* on February 19, 2021 and is classified as a Capital Pool Company as defined in TSX Venture Exchange (the "**Exchange**") Policy 2.4. The Corporation has not commenced commercial operations and has no significant assets other than cash. The Corporation will not carry on any business other than the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction, as defined in Exchange Policy 2.4., except as described in the Corporation's prospectus dated March 11, 2022.

On April 5, 2022, the Corporation completed its Initial Public Offering ("**IPO**") of 3,500,000 common shares at a price of \$0.10 per share for gross proceeds of \$350,000. Canaccord Genuity Corp. acted as lead agent for the offering, in connection with which it received a cash commission equal to 10% of gross proceeds and options to purchase up to 350,000 Common Shares at an exercise price of \$0.10 per Common Share, exercisable within sixty months from the date of listing of the Common Shares on the Exchange. The Corporation also paid a corporate finance fee and reimbursed the Agent for legal fees and other reasonable expenses incurred pursuant to the IPO. The common shares of Seven Oaks commenced trading on the TSX Venture Exchange on April 5, 2022 under the symbol "SEVN.P".

On January 29, 2023, 150,000 stock options were granted to a director of the Corporation, at a price of \$0.10 per share. The stock options have an expiry date of five years from the date of grant and vested immediately. The stock options were valued at \$10,369 using the Black-Scholes option pricing model based on the following assumptions: expected volatility of 86.89%, expected life of five years, expected dividend yield of 0%, risk-free rate of 2.77% and a share/exercise price of \$.10.

On January 29, 2023 the Company cancelled vested options to purchase 150,000 common shares in the capital of the Corporation, 50,000 of which were issued to a director of the Corporation, at a price of \$0.10 per share on November 12, 2021, and 100,000 of which were granted on August 10, 2022, at a price of \$.10 per share.

On June 5, 2023, the Corporation announced the mutual termination of its proposed arm's length qualifying transaction with Rimon previously announced on February 1, 2023, which was intended to constitute the Corporation's Qualifying Transaction ("the Proposed Transaction") as such term is defined in Policy 2.4 of the TSX Venture Exchange. The Corporation is continuing to pursue and evaluate other businesses and assets with a view to completing a Qualifying Transaction.

As a consequence of the mutual termination of the binding letter agreement dated January 29, 2023, Rimon has fulfilled its contractual obligation to the Corporation to pay for an amount equal to 50% of the fees and costs

incurred by the Corporation in connection with pursuing the Proposed Transaction.

On June 30, 2023, the Corporation completed a non-brokered private placement pursuant to which it issued 1,576,560 common shares of the Corporation at \$.10 per share, for aggregate proceeds of \$157,656. The Corporation incurred cash issuance costs of \$8,374 related to the non-brokered private placement, of which \$2,020 of TSX fees related to the financing was expensed and \$6,353 of professional fees and commissions were offset against share capital.

On November 10, 2023, the annual general and special meeting of the shareholders of the Corporation was held with shareholders of the Corporation voting in favour of resolutions re-electing the board of directors, appointing the auditor, and re-approving the stock option plan.

The Corporation's financial statements have been prepared in accordance with IFRS applicable to a going concern, which contemplates that the Corporation will be able to realize its assets and discharge its liabilities in the normal course of business. The Corporation has no source of operating revenues and its ability to operate as a going concern in the near-term will depend on its ability to successfully identify and complete a Qualifying Transaction, which may require the raising of additional financing in the future. The Corporation's financial statements do not purport to give effect to adjustments, if any, that may be necessary should the Corporation be unable to continue and therefore, be required to realize its assets and discharge its liabilities in a manner other than in the ordinary course of business.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Corporation. These restrictions apply until completion of a Qualifying Transaction by the Corporation as defined under the policies of the Exchange Policy 2.4. The head office and the registered head office of the Corporation is located at 8 King Street East, suite 1712, Toronto, Ontario, M5C 1B5.

Selected Financial Information

Summarized selected financial information with respect to the Corporation for the most recent year is as follows:

	December 31, 2023	December 31, 2022
Assets		
Cash	\$ 536,276	\$ 537,299
	\$ 536,276	\$ 537,299
Liabilities		
Accounts payable and accrued liabilities	\$ 23,218	\$ 84,607
Shareholders' Equity		
Share capital	\$ 791,342	\$ 640,039
Share option Reserve	64,594	54,225
Warrant Reserve	26,409	26,409
Cumulative Deficit	(369,287)	(267,981)
	\$ 513,058	\$ 452,692
	\$ 536,276	\$ 537,299

Results of Operations – For the three-month period ended December 31, 2023

The Corporation recorded a net loss and comprehensive loss of \$25,656 during the three-month period ended December 31, 2023. As a comparative period, the Corporation recorded a net loss and comprehensive loss of \$87,151 for the three-month period ended December 31, 2022.

The net loss and comprehensive loss for the three-month period ending December 31, 2023 and December 31, 2022 is represented by the following expenses incurred in the period:

	2023	2022
Professional fees	\$ 20,000	\$ 37,485
Share-based compensation	\$ -	\$ 23,767
Due diligence costs	\$ 1,111	\$ 24,713
Stock Exchange and Transfer fees	\$ 1,606	\$ 395
General and administrative	\$ 2,939	\$ 791
	\$ 25,656	\$ 87,151
Net loss per share – basic and diluted	\$(0.01)	\$(0.01)

Results of Operations – For the year ended December 31, 2023

The Corporation recorded a net loss and comprehensive loss of \$101,306 during the year ended December 31, 2023. As a comparative period, the Corporation recorded a net loss and comprehensive loss of \$168,823 for the period December 31, 2022.

The net loss and comprehensive loss for the year ending December 31, 2023 and December 31, 2022 is represented by the following expenses incurred in the year:

	2023	2022
Professional fees	\$ 54,115	\$ 57,972
Share-based compensation	\$ 10,369	\$ 54,225
Due diligence costs	\$ 2,839	\$ 32,376
Stock Exchange and Transfer fees	\$ 19,003	\$ 18,572
General and administrative	\$ 14,980	\$ 5,678
	\$ 101,306	\$ 168,823
Net loss per share – basic and diluted	\$(0.03)	\$ (0.02)

Share-based Compensation

For the three and twelve months ended December 31, 2023, share-based compensation totaled \$nil and \$10,369 respectively (for the three months and year ended December 31, 2022 stock-based compensation was \$23,767 and \$54,225 respectively). The share-based compensation was the result of an issuance of stock options to a director of the Corporation. Refer to Note 4 of the December 31, 2023 financial statements for more information on how this compensation was calculated.

Professional fees

Professional fees include mainly legal, audit and accounting fees. For the three and twelve months ended December 31, 2023, professional fees totaled \$20,000 and \$54,115 respectively – (\$37,485 for the three month period and \$57,972 for the year ended December 31, 2022). Professional fees during the twelve-month period ended December 31, 2023 were a result of the potential Qualifying Transaction, the Rimon transaction (“Rimon”), however these fees were reduced when the Corporation received a reimbursement of 50% (\$55,970) of the professional fees incurred by the Corporation related to the Rimon transaction, after the mutual termination of the binding letter agreement dated January 29, 2023.

Due diligence costs

Due diligence costs include expenses associated with sourcing and conducting extensive due diligence on acquisition targets for the Corporation and include such costs as travel, corporate searches, printing and communications. For the three and twelve months ended December 31, 2023, due diligence costs totaled \$1,111 and \$2,839 respectively (for the three-month period and year ended December 31, 2022, due diligence costs were \$24,713 and \$32,376 respectively). Costs for due diligence were higher in 2022 than 2023 as in 2022 an active transaction (Rimon) was ongoing.

Stock Exchange and Transfer fees

Stock exchange costs and transfer fees include mainly expenses associated with stock exchange and SEDAR filing fees. Stock exchange costs totaled \$1,606 and \$19,003 for the three and twelve months ended December 31, 2023 respectively, compared to \$395 for the three-month period and \$18,572 for the twelve-month period ended December 31, 2022. Costs in 2023 compared to 2022 year-end were similar based on the same level of activity in 2023 as there was in 2022.

General and administrative expense

General and administrative expense costs include expenses associated with office costs and related costs associated with maintaining an office including internet costs, regular corporate communications costs, bank charges, and non-due-diligence-related travel. General and administrative expense costs totaled \$2,939 and \$14,980 respectively for the three and twelve months ended December 31, 2023 (\$791 and \$5,678 for the three month and year-ended December 31, 2022). Higher costs in 2023 related to increased costs related to increased expenditure on corporate communications for 2023 related to the Rimon transaction, which required committed contracts that extended into 2023. It is anticipated that once these contracts expire in early 2024, that communication costs will revert to 2022 levels.

Quarterly Financial Results

	For the three months ended December 31, 2023	For the three months ended September 30, 2023	For the three months ended June 30, 2023	For the three months ended March 31, 2023
Revenue	\$ -	\$ -	\$ -	\$ -
Operating expenses	\$ 25,656	\$ 6,834	\$(35,920)	\$ 104,736
Loss and comprehensive loss for the period	\$(25,656)	\$(6,834)	\$35,920	\$(104,736)
Total Assets	\$536,276	\$541,601	\$549,159	\$485,444
Total Liabilities	\$23,218	\$225	\$948	\$124,456
Weighted average shares outstanding	3,942,174	3,689,971	3,181,384	3,173,000
Loss per share – diluted and basic	\$ (0.01)	\$ -	\$0.01	\$ (0.03)

	For the three months ended December 31, 2022	For the three months ended September 30, 2022	For the three months ended June 30, 2022	For the three months ended March 31, 2022
Revenue	\$ -	\$ -	\$ -	\$ -
Operating expenses	\$87,151	\$44,776	\$14,433	\$22,463
Loss and comprehensive loss for the period	\$(87,151)	\$(44,776)	\$(14,433)	\$ (22,463)
Total Assets	\$537,299	\$548,634	\$562,368	\$351,190
Total Liabilities	\$84,607	\$14,335	\$13,751	\$67,811
Weighted average shares outstanding	11,600,000	11,600,000	11,444,444	8,100,000
Loss per share – diluted and basic	\$ (0.01)	\$ -	\$ -	\$ -

Capital Resources

The Corporation financed its operations during the three-month and twelve-month periods ending December 31, 2023 from net cash proceeds received from the Corporation's seed capital of \$405,000, from net cash proceeds received from the Corporation's initial public offering of \$294,656, and from net cash proceeds of \$151,303 received from a non-brokered private placement conducted in 2023.

Cash raised by the Corporation from the issuance of shares is to be used by the Corporation to fund its activities relating to the Exchange listing, identification and evaluation of a potential Qualifying Transaction and, to the extent permitted by Policy 2.4, for general and administrative expenses. Until such time as the Corporation identifies a Qualifying Transaction, it is contemplated that the working capital requirements of the Corporation will relate generally to expenses associated with the Corporation's continuous disclosure obligations under applicable securities legislation, annual audit fees, legal fees for general corporate matters and costs incurred in identifying, evaluating and executing a potential Qualifying Transaction. The only material ongoing contractual obligations of the Corporation relates to the payment of transfer agency fees and legal and audit fees. The Corporation believes it has sufficient capital resources to execute a Qualifying Transaction.

Liquidity

As at December 31, 2023, the Corporation had cash totaling \$536,276.

Total liabilities at December 31, 2023 were \$23,218.

Shareholders' equity at December 31, 2023 was \$513,058.

Segmented Information

The Corporation has a single reportable geographic segment – Canada – and all of the Corporation's assets are located in Canada.

Off-Balance Sheet Arrangements

The Corporation has no off-balance sheet arrangements.

Outstanding Share Capital as at December 31, 2023

- (a) **Authorized:** Unlimited number of common shares
- (b) **Issued:** 13,176,560 common shares
- (c) **Escrowed shares:** 8,486,000 common shares

Outstanding Share Capital as at the date of this MD&A

- (a) **Authorized:** Unlimited number of common shares
- (b) **Issued:** 13,176,560 common shares
- (c) **Escrowed shares:** 8,486,000 common shares

Of the 13,176,560 common shares issued and outstanding as at the date of this MD&A, 8,486,000 common shares will be held in escrow in accordance with the requirements of the Exchange and pursuant to the terms of an escrow agreement to be entered into among the Corporation, the holders of the seed shares issued prior to the IPO and an escrow agent pursuant to the requirements of the Exchange.

All common shares acquired on exercise of stock options granted to directors and officers prior to the

completion of a Qualifying Transaction, must also be deposited in escrow until the Final Qualifying Transaction Exchange Bulletin (as defined in the policies of the Exchange) is issued.

All common shares of the Corporation acquired in the secondary market prior to the completion of a Qualifying Transaction by a Control Person, as defined in the policies of the Exchange, are required to be deposited in escrow. Subject to certain permitted exemptions, all securities of the Corporation held by principals of the reporting issuer will also be escrowed.

Transactions with Related Parties

All transactions with related parties occurred in the normal course of operations. The Corporation's related party transactions are as follows:

Key management personnel are those individuals having responsibility for planning, directing, and controlling the activities of the Corporation. The Corporation considers the officers and directors to be key management. During the year, the Corporation incurred share-based compensation of \$10,369 (2022 - \$54,225) through options issuance. Such options were fair valued based on the Black-Scholes option pricing model.

Investor Relations

During the three-month period and twelve-month period ended December 31, 2023, the Corporation's management handled the Corporation's investor relations activities.

Financial Instruments and Risk Management

The carrying values of cash and accounts payable and accrued liabilities approximate fair value due to the relatively short-term maturities of these instruments.

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

Management of Capital

The Corporation's objective when managing capital is to maintain its ability to continue as a going concern to provide returns for shareholders and benefits for other stakeholders.

The Corporation includes equity, comprised of issued common shares and accumulated deficit, in the definition of capital. The Corporation's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisition targets. The Corporation may attempt to raise additional funds through the issuance of equity or by securing strategic partners to secure additional capital to pursue these plans. The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses with a view to completing a Qualifying Transaction. These restrictions apply until completion of a Qualifying Transaction by the Corporation as defined under the Exchange policy 2.4.

Future Change in Accounting Policies

Refer to Note 3 in the Notes to the Financial Statements as at and for the year ended December 31, 2023 for details of the Corporation's significant accounting policies.

Contingency

There is no assurance that the Corporation will identify a business or asset that warrants acquisition or participation at which time the Exchange may suspend or de-list the Corporation's shares from trading.

Risk Disclosures and Fair Value

As at December 31, 2023, the Corporation's financial instruments consist of cash, accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying values due to the relatively short-term maturity of these instruments.

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

Credit risk

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

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Management believes the Corporation had no significant exposure to interest rate risk through its financial instruments as at December 31, 2023.

Liquidity risk

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

Risks and Uncertainties

The Corporation does not have a history of operations. There is no assurance that it will produce revenue,

operate profitably or provide a return on investment in the future.

The Corporation's continued operation will be dependent upon its ability to complete a Qualifying Transaction and to generate operating revenues and to procure additional financing. To date, the Corporation has done so through equity financing.

The Corporation has no active business or assets other than cash. It does not have a history of earnings, nor has it paid any dividends. It will not generate earnings or pay dividends until at least after the completion of the proposed Qualifying Transaction.

The directors and officers of the Corporation will only devote a small portion of their time to the business and affairs of the Corporation. Some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time.

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

The Corporation has only limited funds with which to complete a potential Qualifying Transaction. The Qualifying Transaction may be financed in whole, or in part, by the issuance of additional securities by the Corporation. This may result in further dilution to investors, which dilution may be significant and which may also result in a change of control of the Corporation. Subject to prior Exchange approval, the Corporation may be permitted to loan or advance up to an aggregate of \$250,000 of its proceeds as a refundable deposit to a target business under certain conditions noted in the CPC Policy. There can be no assurance that the Corporation will be able to recover that loan.

Completion of any Qualifying Transaction is subject to a number of conditions, including acceptance by the Exchange and in the case of a non-arm's length Qualifying Transaction, majority of minority approval.

Upon public announcement of the proposed Qualifying Transaction, trading in common shares of the Corporation will be halted and will remain so for an indefinite period of time, until certain reviews are conducted, and obligations satisfied. The common shares will be reinstated to trading upon review and acceptance of the Exchange. Reinstatement to trading provides no assurance with respect to the merits of the transaction or the likelihood of the Corporation completing the proposed Qualifying Transaction. Trading of the common shares may be halted at other times for other reasons, including for failure by the Corporation to submit documents to the Exchange in the time periods required.

The Exchange will generally suspend trading of the common shares or delist the Corporation in the event that the Exchange has not issued a Final Exchange Bulletin within 24 months from the date of listing.

Additional Information

Additional information relating to Seven Oaks Capital Corp., can be found in its amended and restated prospectus dated March 11, 2022, its management information circular, and other continuous disclosure documents which are available on the Corporation's SEDAR profile at www.sedarplus.ca.

Outlook

Management believes the Corporation is well positioned to seek and complete a Qualifying Transaction. Seven Oaks believes that it has sufficient cash and capital resources.

Internal Controls Over Financial Reporting

The Chief Executive Officer and Chief Financial Officer, in accordance with National Instrument 52-109 (“NI 52-109”), have both certified that they have reviewed the annual financial statements and this MD&A (the “Annual Filings”) and that, based on their knowledge having exercised reasonable diligence, that (a) the Annual Filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made with respect to the period covered by the Annual Filings; and (b) the annual financial statements together with the other financial information included in the Annual Filings fairly present in all material respects the financial condition, financial performance and cash flows of the Company as of the date of and for the periods presented in the Annual Filings.

Investors should be aware that there are inherent limitations on the ability of the certifying officers to cost effectively design and implement Disclosure Controls and Procedures and Internal Controls over Financial Reporting (as those terms are used in NI 52-109). This may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.