YNVISIBLE INTERACTIVE INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

THREE MONTHS ENDED MARCH 31, 2025

Date of Report: May 30, 2025

The following management's discussion and analysis ("MD&A") of the financial position and results of operations for Ynvisible Interactive Inc. (the "Company", "Ynvisible", "we" or "our") should be read in conjunction with the Company's audited consolidated financial statements and the notes thereto for the years ended December 31, 2024 and 2023 and the condensed interim consolidated financial statements for the three months ended March 31, 2025 and 2024 (the "Financial Statements"). Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars. Additional information relevant to the Company's activities can be found on SEDAR+ at www.sedarplus.ca.

Overall Performance

Ynvisible Interactive Inc. is a public company listed on the TSX Venture Exchange under the trading symbol "YNV", on the OTCQB under the symbol "YNVYF", and FSE under the symbol "1XNA".

Ynvisible is a printed e-paper product company and a market leader in printed electrochromic display (ECD) technology. The Company commands end-to-end expertise and a strong intellectual property position in the design, development and high volume manufacturing of printed e-paper display products. Ynvisible displays are engineered for seamless integration into a broad range of applications, such as retail signage, supply chain labels and medical diagnostic devices.

Ynvisible offers a range of standard and customized ultra-low power and easy-to-use displays for everyday smart objects, Internet of Things (IoT) and industrial products. Ynvisible displays (printed on flexible substrates) are simpler to integrate and more cost effective than traditional LCDs and electrophoretic displays. The Company also provides contracted research, development, prototyping, and manufacturing services of printed electronics.

With a unique blend of materials science, process technology, and display electronics, Ynvisible is poised to differentiate itself as a leader in the emerging printed and flexible electronics sector. Moreover, Ynvisible's brand is increasingly well recognized among brand owners developing IoT products, which positions the Company as a key player in this rapidly evolving market.

The address of the Company's head office is 830 – 1100 Melville Street, Vancouver, British Columbia, Canada, V6E 4A6, the registered and records office is located at 1500 – 1055 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4N7, and the principal place of business is located at Rua Quinta do Bom Retiro, 12C, 2820-690 Charneca de Caparica, Portugal. The Company maintains a website at www.ynvisible.com.

The Company's ability to continue as a going concern is dependent on successfully executing its business plan, which includes the raising of additional funds and realization of profitable operations. The Company will continue to seek additional forms of debt or equity financing, but it cannot provide assurance that it will be successful in doing so. There is a material uncertainty related to these conditions that may cast significant doubt on the ability of the Company to continue as a going concern.

The Company's condensed interim consolidated financial statements do not reflect the adjustments to the carrying amounts of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

Management Discussion & Business Highlights

Overview

In 2024 and Q1 2025, Ynvisible continued to make strong progress in completing the transition from research and development (R&D) to an e-paper product company, with a robust pipeline of new e-paper products with recurring revenue set for launch in 2025 and 2026.

Ynvisible made significant strides in expanding its market presence and engaging with customers across various sectors, such as Retail, Medical & Diagnostics, Logistics & Supply Chain, and Industrial. By introducing innovative products and forming strategic partnerships, the Company has demonstrated its commitment to providing customizable solutions that meet the market needs for ultra-low power, cost effective and sustainable digital displays.

During 2024 and Q1 2025, the Company secured and delivered important commercial purchase orders, and received additional customer commitments, which reflects a growing demand for Ynvisible's e-paper solutions. Investments in manufacturing capabilities and supply chain optimization are ensuring the Company can meet this growing demand effectively.

In addition, Ynvisible continues to focus on product performance, technology refinement, and breakthrough innovation, along with its commitment to sustainability, fostering an inclusive and entrepreneurial workplace culture, which underlines its dedication to customer satisfaction, employee well-being and the environment.

In 2025, focus remains on ensuring Ynvisible continues to be a preferred choice for our customers and investors. A clear path forward to achieve Rapid Growth and Market Leadership has been established, by:

- Accelerating Sales & Marketing to expand customer base, both through an expansion of our global distribution network and strengthening business development and direct sales
- Scaling operations to meet growing demand, both through investing in our internal manufacturing capabilities (increasing capacity and efficiency) and establishing strong partnerships with industry leaders that help scale procurement, supply chain and manufacturing
- Investing in Product Innovation, to optimize and diversify product offering

In 2025, we are continuing to drive our growth both as an organization and as a business. We are committed to fostering a productive and efficient workplace culture that offers opportunities for growth and collaboration, ultimately boosting our overall performance and cohesiveness. In addition, we are actively working to attract new talent and strengthen key areas within the Company, including Business Development, Sales & Marketing, Operations and Product Innovation.

Finally, we value open communication and transparency. In 2024, we have invested in building stronger, trust-based relationships with our stakeholders, including investors, customers, and partners, and are continuing to do so in 2025.

Products & Services

In Q1 2025, Ynvisible continued the strategic focus on commercializing and manufacturing e-paper products for key customers, building upon the significant progress made in 2024. Engaging across the four e-paper product categories of Indicators, Digital Signage, Electronic Labels, and Smart Cards, the Company remains committed to targeting diverse sectors such as Retail, Medical & Diagnostics, Logistics & Supply Chain, and Industrial applications.

A focal point of Ynvisible's product strategy in 2023 and 2024 was the launch of innovative offerings, notably the commercial introduction of a new digital signage solution for retail applications. This addition exemplified the Company's commitment to addressing a substantial and growing market demand for cost-effective, energy-efficient, and sustainable digital signage display solutions. Beyond retail, Ynvisible is also focusing on public information signage as an application for our printed e-paper display solutions.

In 2024, Ynvisible expanded its product range to include a broader category of e-paper products, with a specific emphasis on digital product information – indicators. These e-paper indicators can be customized and seamlessly integrated into various applications, spanning from industrial and supply chain solutions to medical/diagnostics products. In Q1 2025, Ynvisible has made progress in developing, prototyping and commercializing new indicator products, for single-use diagnostic devices and industrial maintenance timers. Ynvisible's e-paper products serve not only to replace existing solutions but also to pioneer new product applications, solidifying the Company's position as an innovative leader in the e-paper industry.

Ynvisible has historically generated revenue through a combination of different sources. These include:

- Customer-funded R&D and product development projects
- Prototyping of printed e-paper displays
- Sales of printed e-paper display products
- Production up-scaling and contract manufacturing services

Among these revenue sources, historically the most significant segments for Ynvisible have been the sale of R&D and product development projects, and production up-scaling services. However, in 2023, there was a strong shift in the Company's revenue segmentation, that continued in 2024 and Q1 2025. In Q1 2025, the total revenue coming from sales of e-paper display products represented 58% of the total revenues of the Company, similar to the 52% in 2024.

Within the production up-scaling and contract manufacturing services revenue category, the Company anticipates that its capabilities and revenue associated with the cost-effective design and production of printed systems in the high growth sector of energy generation/storage, where Ynvisible has been supporting several start-up companies, will fluctuate as a function of:

- Customers' material needs and their own internal production and scale-up capabilities;
- Capacity of Ynvisible's manufacturing line in Linköping, Sweden; and
- Competition within the contract manufacturing and process scale-up services market.

Currently, Ynvisible's primary goal is to streamline the product launch process, by offering printed e-paper displays in four different product categories, namely:

- Indicators
- Digital Signage
- Electronic Labels
- Smart Cards

Ynvisible's short to medium term goal is to gain market share by offering standard products in the indicators and digital signage categories, while, in the cards and labels markets, Ynvisible will collaborate with chosen industry leaders to create innovative products tailored for emerging markets.

Ynvisible's displays are tailored to meet the specific requirements of different segments within the e-paper market. These segments exhibit unmet market needs and require mass producible displays with ultra-low power consumption. As mentioned, Ynvisible's target market segments include:

- Retail
- Medical & Diagnostics
- Logistics & Supply Chain
- Industrial

Sales & Marketing

In Q1 2025, Ynvisible's sales and marketing operations continued to strengthen global sales and distribution networks for its printed e-paper display products. Outbound efforts targeted specific end-user markets and customers, with a focus on project sales for Non-Recurring Engineering (NRE) and strategic development projects.

Key initiatives included:

- Expanding lead generation, through marketing and direct customer reach
- Optimizing and diversifying product offering
- Establishing global manufacturing capabilities to meet market needs (price and volume)

Ynvisible's sales mix encompassed a full range of services related to e-paper displays, including contract research, electronics development, production up-scaling, and contract manufacturing printing services. However, the Company became more discerning in pursuing opportunities with stronger long-term business potential and/or alignment with strategic objectives.

In Q1 2025, the Company's product strategy continued to focus on offering custom solutions for digital signs, indicators and labels, resulting in additional customer activity. For indicators, Ynvisible continued the collaboration with a leading customer in the Medical/Diagnostics industry to develop a novel, energy-efficient, visual indicator for a specific at-home diagnostics test. The device is being reviewed by the Food and Drug Administration (FDA), and is estimated to enter high volume production in Q3 – Q4 2025, creating significant revenue potential. More recently, the same customer placed a new order comprising more than 10,000 new display units, which will be used in a novel at-home diagnostic test, distinct from the application currently under FDA review. The e-paper displays delivered by Ynvisible will support a new generation of at-home diagnostic tests, building on the success of the initial collaboration and reaffirming Ynvisible's role as a trusted partner in delivering clarity, readability, and user-friendly information to the point-of-care diagnostics market. Additionally, Ynvisible completed the delivery of a first high volume order of a maintenance time indicator solution for industrial equipment, in partnership with a European industrial equipment manufacturer, with additional volumes of the product expected to be further delivered in 2025. The estimated market potential for Ynvisible's indicator solutions is substantial, serving industries demanding simple and energy-efficient visual indicators, such as Supply Chain & Logistics, Industrial, and Medical & Diagnostics. With continuous technological advancements, Ynvisible remains at the forefront of the evolving visual indicator space.

Marketing events in Q1 2025:

In Q1 2025, marketing highlights encompassed the Company's participation, for the fourth year in a row, in one of the biggest events dedicated to embedded systems and technologies: embedded world, Nuremberg, Germany, 11-13 March, 2025. Ynvisible had an exhibition booth and actively published content on all social media channels directly from the tradeshow floor. Our Product Manager and Business Development Associate, Diogo Cunha, also gave a video interview to Electromaker, reaching 17K views.

Other Marketing activities in Q1 2025:

- In Q1 2025, Ynvisible continued to invest strongly into developing its communications and outreach marketing activities. This was done through a multi-channel approach, including social media, publications, website content and interviews. Ynvisible will continue to strengthen these activities throughout 2025, to intensify both customer and investor engagement.
- On April 30, 2025, Ynvisible held its first investor-focused webinar of the year, where we highlighted our progress in product development, customer acquisition, and market strategy.

Team, Management & Culture

Ynvisible's team is a multidisciplinary global team of over 30 professionals with diverse backgrounds, nationalities and skill sets, committed to delivering the best value to all our stakeholders. In its operations in Portugal, Sweden and Germany, the Company leverages the highly skilled labor base and competitive labor costs.

Ynvisible builds and promotes a strong Company culture, aligned with the Company's vision, values and goals. The three pillars of the Company's values are: Ethics and Integrity, Collaboration and Teamwork, and Resilience and Agility.

To make sure each team member feels well integrated within the team and maintains a sense of contribution to the Company's goals, Ynvisible has a Performance Management Program (PMP), through which individual goals for each person are set and aligned with the Company's goals. The PMP includes quarterly reviews of performance and goals, to ensure constructive feedback is shared and that the individual goals continue to be meaningful and updated on a regular basis.

Ynvisible is proud to be a multicultural team, with colleagues from over 10 countries, working together to deliver meaningful impact. Diversity and inclusion are not just principles we follow - they are intrinsic to our culture. We foster an environment where everyone feels valued and respected, without relying on formal programs or policies, because this mindset is deeply ingrained in who we are. Recognized as an Equal Pay company, we are committed to ensuring equal opportunities, fair compensation, and inclusive recognition for all, regardless of gender or individual identity.

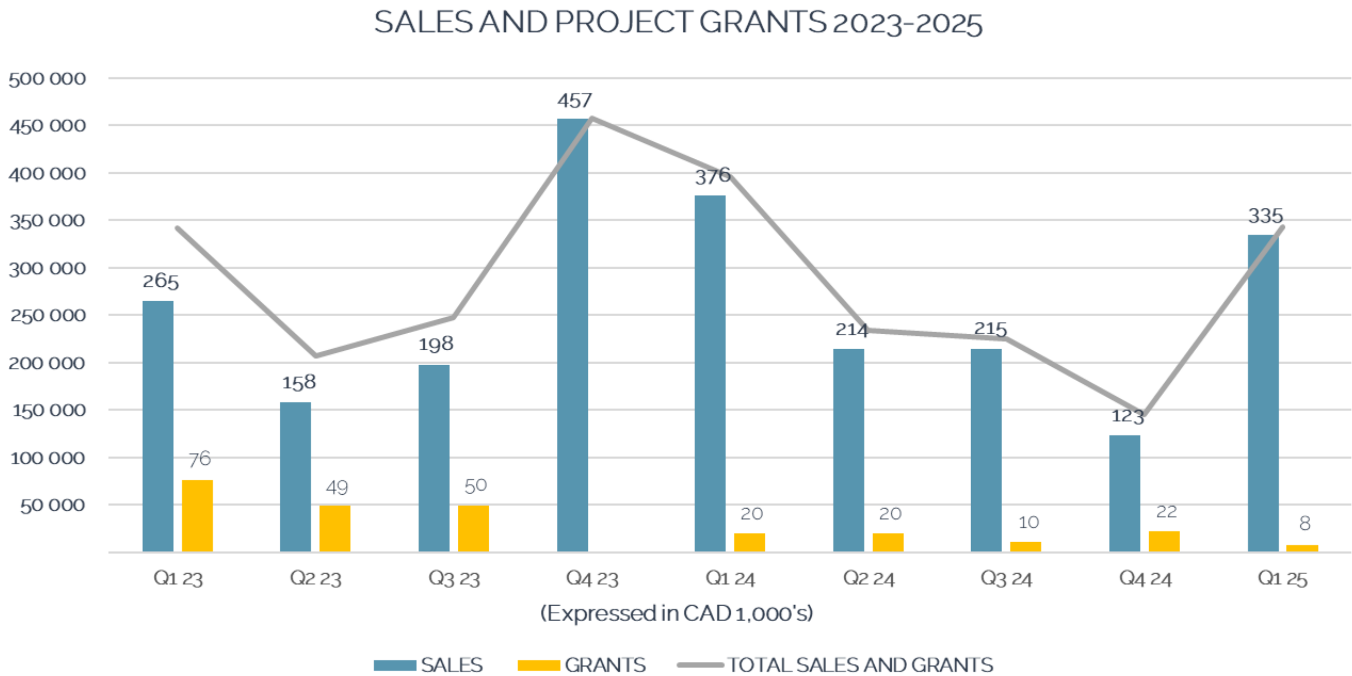
The Company also nurtures a culture of continuous learning and refinement of product and services, based on lessons learned from customer interactions, coupled with careful assessment of market needs, size and future profitability of opportunity, and clear decisive execution.

Financial Performance

In Q1 2025, the Company's revenue from customer sales amounted to $334,741, similar to the total revenue from customers of $375,729 in the same period of 2024.

As the Company continues to pursue revenue growth, it expects to reinforce its position and create further commercial success through necessary product optimization and scaling efforts throughout 2025.

During Q1 2025, income from project grants was $7,860, a 61% decrease compared to the prior year, with most of the Project grants coming to an end. This decrease is a result of the intentional focus of Ynvisible in allocating its full resources to product development and production scale-up activities, and carefully choosing any new projects, to ensure alignment with its strategy and long-term goals.



The Company's total income & gains for Q1 2025 was $369,505, a decrease of 22% from Q1 2024, of $472,835. Total income & gains include customer sales, project grants, and other income and gains, such as interest and other minor sources.

In Q1 2025, the cost of sales amounted to $275,035, reflecting a 172% increase compared to $101,274 in the previous year.

News & Events Q1 2025

On February 21, 2025, Ynvisible announced that it had arranged a non-brokered private placement financing of up to 5,000,000 Shares of the Company at a price of $0.12 per Share, for aggregate gross proceeds of up to $600,000.

In February 2025, the Company granted 815,000 stock options to employees at an exercise price of $0.20 per share for a period of five years, vesting as follows: 1/4th at the date of grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant. The options were valued at $97,113 using the Black-Scholes option pricing model.

In February 2025, the Company granted 200,000 stock options to director, at an exercise price of $0.15 per share for a period of five years vesting as follows: 1/4th at the date of grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant. The options were valued at $26,259 using the Black-Scholes option pricing model.

On March 21, 2025, the Company closed the non-brokered private placement financing previously announced on February 21, 2025. The Company received subscriptions for 4,563,765 Shares at a price of $0.12 per Share, raising aggregate gross proceeds of $547,651.80.

On April 11, 2025, Ynvisible announced that it had engaged Plutus Invest & Consulting GmbH ("Plutus") to provide certain marketing and investor awareness services on behalf of the Company. Under the terms of the marketing services agreement, Plutus will provide marketing and communications services to Ynvisible for up to a 12-month term.

On April 28, 2025, the Company announced a strategic partnership with CCL Design, a division of CCL Industries, a global leader in specialty label, security, and packaging solutions. CCL Design brings deep expertise in printed electronics and a global manufacturing footprint across Asia, Europe, and the United States. Under the partnership, CCL Design will serve as a key manufacturing partner for Ynvisible, enabling high-quality, scalable production of its printed e-paper displays.

On May 6, 2025, the Company announced the successful delivery of over 10,000 e-paper maintenance indicators to a leading global manufacturer of air compressors and industrial equipment. This marks a major commercial milestone in Ynvisible's transition from product development to full commercialization of e-paper solutions. Follow-up orders for an additional 30,000 units have already been secured for delivery by year-end.

On May 16, 2025, Ynvisible announced that it is undertaking a non-brokered LIFE financing consisting of a minimum of 8,181,818 common shares of the Company, and up to a maximum of 13,636,364 common shares, at an issue price of $0.22 per common share, to raise minimum gross proceeds of $1,800,000 and maximum gross proceeds of up to $3,000,000. The Company may pay finder fees in relation to this offering.

On May 19, 2025, Ynvisible announced it received a follow-on order from a returning customer in the rapidly growing at-home medical diagnostics market. The new order, comprising more than 10,000 display units, will be used in a novel at-home diagnostic test, distinct from the application previously announced by the Company. The e-paper displays delivered by Ynvisible will support a new generation of at-home diagnostic tests, building on the success of the initial collaboration and reaffirming Ynvisible's role as a trusted partner in delivering clarity, readability, and user-friendly information to the point-of-care diagnostics market.

News & Events 2024

In January 2024, Ynvisible announced that it had granted stock options to certain officers, directors, and employees of the Company to acquire an aggregate of 520,000 common shares in the capital of the Company (the "Stock Options"), pursuant to the Company's omnibus equity incentive compensation plan. A total of 400,000 of the Stock Options have been granted to key members of management and are each exercisable at a price of $0.09 until January 11, 2029. The options were valued at $27,032 using the Black-Scholes option pricing model. The remaining 120,000 of the Stock Options are each exercisable at a price of $0.20 until January 11, 2029. The Stock Options vest 1/4 on January 11, 2024 (the "Grant Date"), 1/4 on the date that is four months from the Grant Date, 1/4 on the date that is eight months from the Grant Date and the final 1/4 on the date that is 12 months from the Grant Date. The options were valued at $7,427 using the Black-Scholes option pricing model.

In March 2024, Ynvisible announced the appointment of Felix Karlsson as a Director of the Company. Mr. Karlsson was the co-founder and CEO of Rdot AB, an e-paper start-up from Sweden, that was acquired by Ynvisible in 2020. The appointment of Mr. Karlsson followed the resignation of Jani-Mikael Kuusisto as a director of the Company. Mr. Kuusisto has played an integral role in helping shape Ynvisible from its inception. He is currently the CEO of The Warming Surfaces Company, a technology start-up bringing a new sustainable heating technology to the market, that turns surfaces in living environments into smart warming surfaces. With potential business relations developing between Ynvisible and The Warming Surfaces Company, Mr. Kuusisto has decided to step down from the Board of Directors, to prevent any conflicts of interest. He will continue to support Ynvisible through a position in the Advisory Board of the Company.

In March 2024, the Company signed a technology license agreement (the “Agreement”) with the Research Institutes of Sweden AB (“RISE”) in respect of printed display technology owned by RISE.

The Agreement gives the Company:

- Broad field of use of the technology;
- Six years worldwide exclusive license;
- Perpetual worldwide non-exclusive license;
- Ownership of the product and manufacturing intellectual property;
- Right to buy RISE’s intellectual property; if the Company decides to purchase the intellectual property, the licence fees, royalties and commitment to purchase services and materials will terminate; and
- Right to terminate the Agreement if Ynvisible is not able to develop viable products or there is a failure in materials supply.

The Agreement gives RISE:

- Licence fees of SEK 800,000 per year in the first 3 years, and SEK 1,000,000 per year in years 4 to 6, payable in equal quarterly instalments
- Perpetual royalties in the range of 0 - 3% of product sales.
- Ownership of the materials and devices intellectual property; and
- Right to terminate the Agreement if Ynvisible is not commercially successful.

In April 2024, Ynvisible announced the successful mass production and delivery of large-format digital signs to a market leader in Italy. This represents a significant milestone for the Company, by completing the mass production and delivery of 25,000 large-format digital signs for Fortech S.r.l., Italy's leading provider of bespoke solutions for the fuel retail sector.

In May 2024, the Company granted 130,000 stock options to various directors, officers, consultants, and employees at an exercise price of $0.20 per share for a period of five years, vesting as follows: 1/4th at the date of grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant. The options were valued at $10,557 using the Black-Scholes option pricing model. In addition, the Company granted 50,000 stock options to a provider of investor relations services at an exercise price of $0.20 per share for a period of five years, vesting as follows: 1/4th at three months from the date of grant, 1/4th at six months from the date of grant, 1/4th at nine months from the date of grant, and 1/4th at twelve months from the date of grant. These options were valued at $4,060 using the Black-Scholes option pricing model.

In June 2024, Ynvisible announced that it closed a new commercial agreement with Norwegian material technology company CondAlign AS (“CondAlign”). Through this collaboration, Ynvisible will use CondAlign’s proprietary E-Align anisotropic, conductive film to connect its displays to a wide range of electronic devices, unlocking new markets and applications.

In June 2024, Ynvisible announced a strategic collaboration with Hive-Zox, a Swiss-based company providing supply-chain digitalization solutions for visibility and real-time monitoring. Ynvisible’s printed e-paper displays will be integrated into a new, compact, smart label designed by Hive-Zox for pharmaceutical and healthcare shipment monitoring.

In June 2024, Ynvisible announced a collaboration with a global industry leader in medical devices, to develop the next generation of medical at-home testing and diagnostic devices. The customized displays that Ynvisible developed for this application follow strict medical industry requirements, to comply with FDA regulations, and can become a standard solution in a wide range of medical and diagnostics products. Ynvisible received a purchase order for more than 10,000 units for this new type of display, which was delivered before the end of 2024.

On July 17, 2024, Ynvisible announced an important collaboration with a leading provider of air compressors and compressed air systems. Ynvisible has developed an innovative maintenance timer based on its e-paper displays to replace traditional analogue time stickers. The projected volume to be delivered to the customer over the next three years is 105,000 units, valued at over 1.5 million Canadian dollars.

On July 30, 2024, Ynvisible announced that it had signed a new distribution agreement with Hardware & Software Technology Co., Ltd. ("HST"), a leading technology provider in the Greater China region. Through this partnership, Ynvisible expands its presence in China, Taiwan, Hong Kong and Macau, making its thin, low-power, cost-effective e-paper display products available to interested customers in the region. The non-exclusive distribution agreement with HST aims to expand Ynvisible's international presence and connect with new customers interested in implementing or developing e-paper based solutions. HST's in-depth market knowledge and established local network are expected to be valuable in achieving these objectives

On August 14, 2024, Ynvisible announced the successful delivery of a high-temperature resistant display for product status indication in medical equipment, to a key player in the medical field. This innovative countdown timer leverages Ynvisible's advanced display technology, customized to endure the rigorous sterilization and cleaning processes required in hospital environments. At the special request of a leading medical corporation, Ynvisible has developed and successfully delivered a prototype of a new type of display meant to be integrated into high-end medical equipment.

On August 19, 2024, Ynvisible announced the resignation of Benjamin Leboe as a director of the Company effective August 13, 2024, due to health reasons. Mr. Leboe had been a member of the Company's Board of Directors since 2018.

On September 5, 2024, Ynvisible announced the appointment of Kamran Kian as a new independent member of its Board of Directors, effective September 4, 2024. Mr. Kian was a senior executive at Avery Dennison, a global leader in material science and manufacturing, where, as Senior Vice President for Global Operations, Supply Chain and Procurement, he oversaw an approximately $7B global operation. As part of his role, he also oversaw the Corporate Engineering team that supports innovation and design of capital equipment for the entire company, including its large Radio Frequency Identification (RFID) technology business. With over 38 years of experience in Operations, Engineering and General Management in North America, Europe and Asia Pacific, he took Avery Dennison's Operations to new heights and built a solid global team. The Company granted 250,000 stock options to Mr. Kian, at an exercise price of $0.09 per Share for a period of five years, vesting as follows: 1/4th at the date of grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant. The options were valued at $19,557 using the Black-Scholes option pricing model.

On September 12, 2024, Ynvisible announced a strategic custom e-paper collaboration with a global leader in water, hygiene and infection prevention products. The collaboration will lead to Ynvisible's innovative e-paper displays being integrated into hand sanitizer dispensers, to provide real-time feedback on device status and usage. Ynvisible developed and delivered first prototypes that have been approved by the customer and has now received a purchase order to deliver more than 500 units, for integration and testing. Following successful testing and validation, up to 50,000 units of hand sanitizers will be equipped with Ynvisible's e-paper displays. In addition, the customer is actively working with Ynvisible to expand the integration of Ynvisible's e-paper displays into other higher volume product lines.

In September 2024, the Company granted 20,000 stock options to employees at an exercise price of $0.20 per share for a period of five years, vesting as follows: 1/4th at the date of grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant. The options were valued at $2,181 using the Black-Scholes option pricing model.

On October 8, 2024, Ynvisible announced that it signed a new distribution agreement with Crystal Display Systems Ltd. ("CDS"), a leading technology provider in the United Kingdom, European and North American markets. Through this partnership, Ynvisible expands its distribution network in Europe and North America, making its thin, low-power, cost-effective e-paper display products available to an increasingly higher volume of customers. The non-exclusive distribution agreement with CDS aims to strengthen Ynvisible's sales and marketing capabilities, and expand the Company's international presence, making it easier to connect with and sell to new customers interested in implementing or developing e-paper based solutions.

On October 18, 2024, Ynvisible announced that it had arranged a non-brokered private placement financing of up to 5,000,000 common shares of the Company at a price of $0.10 per common share, for aggregate gross proceeds of up to $500,000. Further to this release, Ynvisible closed the non-brokered private placement financing on November 4, 2024. The Company received subscriptions for the entire private placement of 5,000,000 common shares of the

Company at a price of $0.10 per common share, raising aggregate gross proceeds of $500,000. In the context of this private placement, the CEO of the Company, Ramin Heydarpour released a letter to shareholders on October 22, 2024, in which he stated: *"… subsequent to the closing of Ynvisible's private placement, designed to have minimal dilutive impact on existing shareholdings, we intend to undertake an investor relations and marketing program aimed at retail, institutional and strategic investors. The goal of our marketing program will be to expand our reach and improve liquidity. In the coming months, we intend to engage in several initiatives to build investor awareness, including roadshows, participating in key investor conferences (e.g. LD Micro), and hosting webinars, with our next scheduled for December. These actions are all designed to raise Ynvisible's visibility in the market and unlock the true value of the Company."*

On October 24, 2024, Ynvisible announced that it had recently delivered more than 10,000 customized e-paper displays to a leading company in the diagnostics sector. This delivery comes as a critical step in the product commercialization process, as the displays were integrated into novel at-home medical diagnostic tests by Ynvisible's customer, and are currently under review by the Food and Drug Administration (FDA) in the United States. Ynvisible had previously announced this collaboration with an emergent industry leader in medical devices, to develop the next generation of medical at-home testing and diagnostic solutions. The customized displays that Ynvisible developed for this application follow strict medical industry requirements. In addition, switching to Ynvisible's innovative display technology is expected to significantly increase market share over the coming years for this customer, due to the cost-effectiveness and energy efficiency of Ynvisible's e-paper displays, coupled with the advantages of roll-to-roll manufacturing.

On October 29, 2024, Ynvisible announced that it is expanding the reach of its thin, flexible, ultra-low power e-paper displays to new customers in South America. Ynvisible is partnering with the South America-based division of a global leader in medical device manufacturing, reinforcing the potential of its cutting-edge displays in advancing medical technology. The customer chose Ynvisible to develop a thin, flexible, ultra-low energy display that will be part of a wireless battery charger for implantable devices, indicating an "ON" state and several visual warnings. Such battery chargers can be used, for example, for implantable neurostimulators, which can be applied to a wide range of therapies.

On November 21, 2024, the Company announced a collaboration with Waypoint Transit Solutions ('Waypoint"), a US-based company focused on bringing cost effective, real time, physical transit information signs to cities and agencies that could not previously afford such infrastructure. Together, Ynvisible and Waypoint intend to bring to the market innovative transit information solutions, by introducing cost-effective e-paper display signage to bus stations.

On December 5, 2024, the Company announced that it had partnered with a global leader in access control to enhance security solutions. The collaboration integrates Ynvisible's thin, flexible, ultra-low power e-paper displays into a cutting-edge door locking system, delivering an innovative solution for the security industry. In this application, Ynvisible's e-paper displays enable crystal-clear locked and unlocked status indication, that is visible from a distance, improving user confidence in secure closures at a glance.

In December 2024, the Company granted 40,000 stock options to various consultants and employees at an exercise price of $0.20 per share for a period of five years, vesting as follows: 1/4th at the date of grant, 1/4th at four months from the date of grant, 1/4th at eight months from the date of grant, and 1/4th at twelve months from the date of grant. The options were valued at $5,121 using the Black-Scholes option pricing model. In addition, the Company granted 50,000 stock options to a provider of investor relations services at an exercise price of $0.20 per share for a period of five years, vesting as follows: 1/4th at three months from the date of grant, 1/4th at six months from the date of grant, 1/4th at nine months from the date of grant, and 1/4th at twelve months from the date of grant. These options were valued at $6,401 using the Black-Scholes option pricing model. The Company also announced that, in addition to the stock options, an aggregate of 1,100,000 restricted share units ("RSUs") were awarded, subject to the terms and conditions of the Company's omnibus equity incentive compensation plan, to certain directors and officers of the Company, effective December 10, 2024 (the "RSU Grant Date"). A total of 700,000 of these RSUs were granted to a director and will vest one year from the RSU Grant Date. Another director and an officer have each been granted 200,000 RSUs, 50% of which will vest one year from the RSU Grant Date, with the remainder vesting two years from the RSU Grant Date.

Results of Operations for the Three Months Ended March 31, 2025 and 2024

Loss from operations for the three months ended March 31, 2025 increased to $1,434,664 compared to $1,387,070 during the three months ended March 31, 2024. Key differences between the two periods are as follows:

Expenses	Increase / Decrease in Expenses	Explanation for Change
Sales	Decrease of $40,988	Decreased due to the Company's decision to slow down some revenue streams to prioritize and focus the existing resources on product optimization for scale up, aligned with the Company's strategy.
Cost of sales	Increase of $173,761	Increased due to the production of a turn key solution, representing the first production and delivery of this type of product.
Development and production	Decrease of $376,448	Decrease due to lower costs related to RISE services and significant reduction in production scale-up investments.
Office facilities and services	Increase of $104,769	Increase due to the relocation of our production line facilities in Sweden

Selected Quarterly Information

All financial information in this MD&A has been prepared in accordance with IFRS. The following financial data is derived from the Financial Statements:

	Three Months Ended March 31,	
	2025	2024
	$	$
Sales	334,741	375,729
Operating expenses	(1,528,862)	(1,661,525)
Other items	(493)	84,622
Net loss	(1,469,649)	(1,302,448)
Total comprehensive loss	(1,263,923)	(1,365,621)
Loss per share (basic and diluted)	(0.01)	(0.01)
	As at March 31,	
	2025	2024
	$	$
Working capital	2,417,189	5,966,692
Total assets	4,927,546	9,246,785
Total liabilities	1,071,477	1,507,570

Operations

The following table sets forth selected financial information regarding the Company's operating and administrative expenses for the three months ended March 31, 2025 and 2024:

	For the three months ended March 31,	
Operations	**2025**	**2024**
	$	**$**
Sales	334,741	375,729
Cost of sales	(275,035)	(101,274)
Compensation and consulting	(856,633)	(789,932)
Depreciation	(153,040)	(143,987)
Development and production	(119,419)	(495,867)
Interest and bank charges	(2,450)	(3,444)
Marketing and promotion	(60,687)	(26,294)
Office facilities and services	(125,072)	(20,302)
Professional fees	(70,461)	(73,102)
Share-based compensation	(90,790)	(61,819)
Transfer and listing fees	(24,666)	(23,320)
Travel and project investigation	(25,644)	(23,458)
Loss from operations	(1,469,156)	(1,387,070)

Summary of Quarterly Results

Three months ended	Sales	Project Grants	Net Loss	Loss Per Share (Basic and Diluted)
	$	$	$	$
March 31, 2025	334,741	7,860	(1,469,649)	(0.01)
December 31, 2024	123,381	22,198	(1,553,580)	(0.01)
September 30, 2024	214,693	10,484	(965,274)	(0.01)
June 30, 2024	213,936	19,952	(1,193,201)	(0.01)
March 31, 2024	375,729	19,964	(1,302,448)	(0.01)
December 31, 2023	456,884	(8,729)	(1,026,822)	(0.01)
September 30, 2023	197,675	49,641	(1,213,150)	(0.01)
June 30, 2023	158,017	48,670	(1,469,436)	(0.01)

- In the quarters ended March 31, 2025, December 31, 2024, September 30, 2024, June 30, 2024, March 31, 2024, December 31, 2023, September 30, 2023, June 30, 2023, net loss includes $90,790, $(83,495), $(6,312), $17,889, $61,818, $(63,116), $69,061, and $253,534, respectively, in non-cash share-based compensation.

Liquidity

In management's view, given the nature of the Company's operations and the focus on delivering recurring revenues in the short term, profitability is a medium and longer term goal for the Company.

The Company has financed its operations to date primarily through the issuance of common shares and the exercise of stock options or warrants. The Company continues to seek capital through various means including the issuance of equity and/or debt.

Capital Resources

The Company's liquidity and capital resources are as follows:

	March 31, 2025	December 31, 2024
	$	$
Cash and cash equivalents	2,595,855	3,348,851
Amounts receivable	498,891	238,922
Inventories	251,104	348,194
Prepaid expenses	94,613	106,781
Total current assets	3,440,463	4,042,748
Accounts payables and accrued liabilities	(932,867)	(821,631)
Current portion of lease liabilities	(90,407)	(182,313)
Deferred project grants	-	(32,600)
Working capital (1)	2,417,189	3,006,204

(1) Non-IFRS measure: working capital is defined as current assets less current liabilities

Common Share Exchange

On September 4, 2019, the Company implemented a squeeze-out transaction, as per the applicable Portuguese law, pursuant to the RTO transaction, whereby the Company acquired the remaining 499,369 shares of YD Ynvisible, S.A., on a one-for-one basis for the Class A common shares of the Company, held by certain Minority Shareholders of YD Ynvisible, S.A. Accordingly, the Company recorded an obligation to issue 499,369 Class A common shares with a fair value of $172,282, which has been reported as RTO transaction costs. As a result of the squeeze-out transaction, the Company now owns 100% of YD Ynvisible, S.A.

In April 2022, the Company issued 5,000 Class A common shares to the SEA Minority Shareholders in exchange for 5,000 common shares of Ynvisible SA.

Cash Flows

Net cash used in operating activities for the three months ended March 31, 2025 was $ 1,272,318 (2024 - $1,002,311). The cash used consisted primarily of general and administrative expenses, net of non-cash expenditures and a net change in non-cash working capital, detailed in the statement of cash flows.

During the three months ended March 31, 2025, cash used in investing activities was $25,472 (2024 – cash received from investing activities was $81) for the purchase of fixed and intangible assets and deposits paid.

During the three months ended March 31, 2025, cash received from financing activities was $453,820 (2024 -cash used in financing activities was $71,910) due to the Company received money from private placement.

The Company's cash decreased by $752,996 from $3,348,851 at December 31, 2024 to $2,595,855 at March 31, 2025.

Proposed Transactions

There are no proposed transactions that will materially affect the performance of the Company other than those disclosed elsewhere in this MD&A.

Off Balance Sheet Arrangements

At March 31, 2025 and as of the date of this report, the Company had no material off-balance sheet arrangements such as guarantee contracts, contingent interest in assets transferred to an entity, derivative instruments obligations or any obligations that trigger financing, liquidity, market or credit risk to the Company.

Transactions with Related Parties

As of March 31, 2024, the Company had the following directors and officers:

Ramin Heydarpour – Chief Executive Officer and Chairman of the Board
Carlos Pinheiro Baptista, PhD – Chief Technology Officer
Darren Urquhart, CPA, CA – Chief Financial Officer
Inês Henriques, PhD – Executive Vice-President of People, Culture and Corporate Affairs, Director
Alexander Helmel – Director
Alex Langer – Director
Kamran Kian – Director
Felix Karlsson - Director
Lucia Gomes – Chief Operating Officer
Keith Morton – VP of Sales and Marketing

In March 2024, Jani-Mikael Kuusisto resigned as a director, and, in August 2024, Benjamin Leboe resigned as a director.

The Company has incurred charges during the three months ended March 31, 2025 and 2024 from directors and officers, or companies controlled by them, for management and consulting fees and share-based compensation as follows:

	Three Months ended March 31,	
	2025	2024
	$	$
Ramin Heydarpour - Management fees	50,871	45,000
Ramin Heydarpour – Share based compensation	38,749	9,016
Lúcia Gomes – Salary and bonus	33,088	34,514
Lúcia Gomes – Share based compensation	8,641	1,775
Inês Henriques – Salary	37,399	40,780
Inês Henriques – Share based compensation	8,742	8,218
Alexander Helmel – Management fees	9,000	9,000
Alexander Helmel – Share based compensation	-	126
Keith Morton – Consulting fees	11,000	25,000
Keith Morton – Share based compensation	-	7,940
Carlos Pinheiro Baptista – Salary	40,788	42,471
Carlos Pinheiro Baptista – Share based compensation	-	632
Alex Langer – Non-executive Consultancy	4,500	4,500
Alex Langer – Share based compensation	-	2,628
Darren Urquhart – Management fees	7,500	7,500
Darren Urquhart – Share based compensation	-	126
Felix Karlson - Non-executive Consultancy	3,139	-
Kamran Kian – Non-executive Consultancy	9,000	-
Kamran Kian – Share based compensation	3,711	-
Benjamin Leboe – Non-executive Consultancy	-	4,500
Jani-Mikael Kuusisto – Non-executive Consultancy	-	4,500
Jani-Mikael Kuusisto – Share based compensation	-	126
Total cash consulting and management fees	206,285	217,765
Total share-based compensation	59,843	30,587
Total compensation for officers and directors	266,128	248,352

Note: Share based compensation is a non-cash expense for valuing stock option grants that is computed using the Black-Scholes Valuation Model.

As at March 31, 2025, accounts payable and accrued liabilities include $23,245 (2024 - $77,516) due to officers and directors. Accounts payable and accrued liabilities due to related parties are unsecured and have no specified terms of repayment.

Related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Disclosure of Data for Outstanding Common Shares, Stock Options, Restricted Share Units and Warrants

The following table summarizes the outstanding common shares, stock options, and warrants of the Company:

	As at March 31, 2025	Date of this MD&A
Common shares	134,235,680	134,235,680
Stock options	9,645,000	9,450,000
Restricted share units	1,100,000	1,100,000
Fully Diluted	144,980,680	144,785,680

Details of the outstanding stock options as at the date of this MD&A:

Expiry Date	Weighted Average Exercise Price ($)	Number of Options Outstanding	Number of Options Vested and Exercisable	Weighted Remaining Contractual Life (years)
September 16, 2025	0.25	215,000	215,000	0.30
November 11, 2025	0.29	125,000	125,000	0.45
March 17, 2026	1.29	10,000	10,000	0.80
June 3, 2026	0.63	100,000	100,000	1.01
July 1, 2026	0.75	1,140,000	1,140,000	1.09
July 22, 2026	0.62	80,000	80,000	1.15
August 26, 2026	0.55	250,000	250,000	1.24
October 20, 2026	0.44	370,000	370,000	1.39
December 7, 2026	0.32	500,000	500,000	1.52
July 20, 2027	0.20	2,400,000	2,400,000	2.14
February 24, 2028	0.20	2,095,000	2,095,000	2.74
June 26, 2028	0.20	20,000	20,000	3.08
September 15,2028	0.20	150,000	150,000	3.30
January 11, 2029 (1)	0.20	80,000	60,000	3.62
January 11, 2029	0.09	400,000	300,000	3.62
May 28, 2029	0.20	140,000	140,000	4.00
September 4, 2029	0.09	250,000	187,500	4.27
September 23, 2029	0.20	20,000	15,000	4.32
December 3, 2029	0.20	50,000	12,500	4.52
December 3, 2029	0.20	40,000	20,000	4.52
February 28, 2030	0.20	815,000	203,750	4.75
February 28, 2030	0.15	200,000	50,000	4.75
	0.29	**9,450,000**	**8,443,750**	**2.46**

In December 2024, the Company awarded 1,100,000 restricted share units ("RSUs"), subject to the terms and conditions of the Company's omnibus equity incentive compensation plan, to certain directors and officers of the Company, effective December 10, 2024 (the "RSU Grant Date"). A total of 700,000 of these RSUs were granted to a director and will vest one year from the RSU Grant Date. Another director and an officer were each granted 200,000 RSUs, 50% of which will vest one year from the RSU Grant Date, with the remainder vesting two years from the RSU Grant Date. There are 1,100,000 RSUs outstanding as of March 31, 2025 and the date of the MD&A.

There are no outstanding warrants as of March 31, 2025 and the date of this MD&A.

Controls and Procedures

Disclosure controls and procedures (‘DC&P’) are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting (‘ICFR’) are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

TSX Venture listed companies are not required to provide representations in filings relating to the establishment and maintenance of DC&P and ICFR, as defined in Multinational Instrument MI 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) 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 (b) 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 issuer’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 their certificates regarding absence of misrepresentations and fair disclosure of financial information. 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 as defined in MI 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.

Forward-Looking Statements

All statements made in this MD&A, other than statements of historical facts, are forward-looking statements. The Company’s actual results may differ significantly from those anticipated in the forward-looking statements and readers are cautioned not to place undue reliance on these forward-looking statements. Except as required by securities regulations, the Company undertakes no obligation to publicly release the results of any revisions to forward-looking statements that may be made to reflect events or circumstances after the date of this MD&A or to reflect the occurrence of unanticipated events. Forward-looking statements include, but are not limited to, statements with respect to the development of products, sales growth and global expansion, projected future sales in connection with new customer agreements, the impact of the Company's products and services on customers and marketplaces, future financial or operating performance of the Company, the ability to capitalize on future opportunities and estimates regarding the size and scope of target markets and their potential for growth.

In certain cases, forward-looking statements can be identified by the use of words such as “aims”, “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 factors include, among others, risks related to the integration of acquisitions; future costs of materials and labor; speed of technology adoption in target markets and emergence of competing technologies, and other risks of the printed electronics and technology industries; and delays in obtaining financing.
Although the Company has attempted to identify important factors that could 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.

Critical Judgments and Accounting Estimates

When preparing the financial statements in conformity with IFRS, management undertakes a number of judgments, estimates and assumptions about the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

Significant areas of judgments and estimation uncertainty considered by management in preparing the financial statements are as follows:

Accounting Estimates

a. The amounts disclosed related to fair values of stock options issued are based on estimates of future volatility of the Company's share price, expected forfeiture rates, expected lives of the options and expected dividends.

b. Depreciation of tangible and intangible assets is dependent upon estimates of useful lives, which are determined through the exercise of estimates. The assessment of any impairment of these assets is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

c. The amounts receivable balance is recorded at the estimated recoverable amount, which involves the estimate of expected credit losses.

Critical Judgements

The application of IFRS 16 requires the Company to make judgment that affect the measurement of the right-of-use assets and lease liabilities. These include determining agreements in scope of IFRS 16, determining the contract term and determining the interest rate used for discounting of future cash flows. The lease term determined by the Company is comprised of the non-cancellable period of lease agreements, periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. The present value of the lease payment is determined using a discount rate representing the incremental borrowing rate, observed in the period when the lease agreement commences or is modified.

At the end of each reporting period, the Company reviews the carrying amounts of its long-lived assets consisting of fixed assets, intangible assets, and goodwill to determine whether there is any indication that the carrying amount is not recoverable. The determination of whether any such indication exists requires significant management judgment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When an individual asset does not generate independent cash flows, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Risks and Uncertainties

The Company is subject to a number of risks and uncertainties due to the nature of its business. The Company's activities expose the Company to various operational and financial risks that could have a significant impact on its level of operating cash flows in the future. Readers are advised to study and consider risk factors stressed below. The following are identified as main risk factors that could cause actual results to differ materially from those stated in any forward-looking statements made by, or on behalf of, the Company.

Global Uncertainties and Economic Risks

The Company's business financial condition and results of operations may be negatively affected by economic and other consequences from Russia's military action against Ukraine and the sanctions imposed in response to that action in late February 2022. While the Company expects any direct impacts, of the war in the Ukraine, to the business to be limited, the indirect impacts on the economy and on the industries in general could negatively affect the business and may make it more difficult for it to raise equity or debt financing. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about on its business, results of operations, financial position and cash flows in the future.

Global Semiconductor Shortage

The 2020/2021 semiconductor shortage has highlighted the need for adjustments in capacity and sourcing patterns between automakers, tier-1 suppliers, semiconductor suppliers, and their foundries. The Company's contract manufacturing partners and the Company's clients rely on a supply of semiconductor chips for a wide range of functional electronic and display needs. While the impact on across all electronics sector production is already significant, the situation remains fluid and the Company's contract manufacturing partners and customers are tracking this situation on an ongoing basis.

Operational Risks

The Company is subject to operational risk from such factors as personnel and/or environmental accidents at production facilities; fire; patent disputes; changes in supplier pricing; non-performance of obligations under existing agreements; technical difficulties including plant and equipment breakdown; loss of significant customers; problems with product transportation and logistics; legal action from persons or entities adversely impacted by the Company's business; and the ability to obtain financing to maintain operations.

Customer Demand

The Company is subject to risk from cyclic customer demand for its services and products. Global, regional and seasonal economic, political and military events including recessions and wars; competition including pricing and availability of similar products from competitors; changes in technology; and changes in laws and regulations affecting the Company's customers.

Governmental Regulation

Regulatory standards continue to change, making the review process longer, more complex and therefore more expensive. Electrochromic display production on the Company's facilities is affected by government regulations relating to such matters as environmental protection, health, safety and labour, restrictions on production, price control, and tax increases. There is no assurance that future changes in such regulations couldn't result in additional expenses and capital expenditures, decreasing availability of capital, increased competition, reserve uncertainty, title risks, and delays in operations. The Company relies on the expertise and commitment of its management team, advisors, employees and contractors to ensure compliance with current laws.

Financial Risks

The Company is exposed to financial risks arising from its financial assets and liabilities. The Company manages its exposure to financial risks by operating in a manner that minimizes its exposure to the extent practical. The main financial risks affecting the Company are:

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash are exposed to minimal credit risk. The credit risk on cash is low because the counterparties are highly rated banks.

Cash and amounts receivable are subject to the impairment requirements of IFRS 9, however, impairment was not identified. The carrying amount of cash, amounts receivable and deposits represents the maximum credit exposure.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is exposed to minimal interest rate risk as the Company invests cash at floating rates and cash equivalents at fixed rates of interest in highly liquid instruments, when applicable.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company ensures that it has sufficient capital to meet short term financial obligations after taking into account its cash on hand.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises: currency risk, interest rate risk and other price risk. The Company's management of market risk has not changed materially from that of the prior year and the Company's financial instruments aren't subject to other price risk.

Foreign Currency Risk

The Company's functional currency is the Canadian dollar. The Company funds the operations of Ynvisible SA in Portugal, Ynvisible GmbH in Germany, and Ynvisible Production in Sweden by using Euros and Swedish krona, respectively, converted from its Canadian dollar bank accounts. Based on the Company's Euro and Swedish krona denominated financial instruments at March 31, 2025, a 10% change in exchange rates between the Canadian dollar and the Euro and Swedish krona, respectively, would result in an approximately $87,443 and $36,729, respectively, change in foreign exchange gain or loss.

Other MD&A Requirements

This MD&A is intended to assist the reader's understanding of Ynvisible and its operations, business, strategies, performance and future outlook from the perspective of management.

This MD&A may contain management estimates of anticipated future trends, activities, or results; these are not a guarantee of future performance, since actual results may vary based on factors and variables outside of management's control. Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible to ensure that information disclosed externally, including the financial statements and MD&A, is complete and reliable. Ynvisible's Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Board's Audit Committee meets with management to review the financial statement results, including the MD&A, and to discuss other financial, operating and internal control matters. The Audit Committee is free to meet with the independent auditors at any time.

Approval

A copy of this MD&A will be provided to anyone who requests it and can be located, along with additional information, on the SEDAR+ website at www.sedarplus.ca including, not but limited to:

- the Company's audited consolidated financial statements for the years ended December 31, 2024 and 2023.

The Board of Directors of Ynvisible has approved the disclosure contained in this MD&A as of the date of this report.