ZEDCOR INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE & SIX MONTHS ENDED JUNE 30, 2026 AND 2025

Dated August 12, 2026

The following management's discussion and analysis ("MD&A") provides an overview of the events and transactions that have affected the performance of Zedcor Inc. (the "Company" or "Zedcor" or "our" or "we") for the three and six months ended June 30, 2026 when compared to the three and six months ended June 30, 2025. The MD&A should be read in conjunction with the audited consolidated financial statements and accompanying notes thereto of Zedcor Inc. for the years ended December 31, 2025 and 2024 and the condensed consolidated interim financial statements for the three and six months ended June 30, 2026 and 2025. These consolidated financial statements are available on the Company's website at www.zedcor.com as well as on SEDAR+ at www.sedarplus.ca.

This MD&A is management's assessment of the Company's operations and financial results, as well as management's view of future prospects. These assessments and views are based on certain assumptions related to future events which are uncertain. Statements related to assessments and views which are not statements of historical fact are considered to be forward-looking statements. For a discussion on the risks and uncertainties related to such information please refer to "Forward-Looking Statements" at the end of this MD&A.

This MD&A has been prepared by management and reviewed and approved by the Board of Directors of Zedcor Inc. as of August 12, 2026.

OVERVIEW AND CORPORATE PROFILE

Zedcor Inc., a Canadian public corporation, is a technology enabled company that is changing how physical security services are provided to businesses. Zedcor operates throughout Canada with equipment and service centers in British Columbia, Alberta, Manitoba, and Ontario. The Company also operates in the United States with equipment and service centers in Texas, Arizona, Colorado, Nevada, Florida, and California . Additionally, The Company has a MobileyeZ™ assembly facility in Houston, Texas with plans to open an additional monitoring center in Houston. The Company has three main service offerings to customers across all market segments: 1) surveillance and live monitoring through its proprietary MobileyeZ security towers; 2) surveillance and live monitoring of fixed site locations; and 3) security personnel.

The Company operates a fleet of proprietary MobileyeZ™ security towers, equipped with high resolution, technology-based cameras, and monitors numerous fixed site locations for customers across various industries. Video from security towers and fixed site locations is streamed to the Company's central monitoring station where video alarms are live verified and responded to based on customer requirements. Zedcor also offers high level security guard services to enterprise level customers who are interested in supplementing video-based security for valuable, high risk, or mission critical operational assets.

EXECUTIVE SUMMARY:

SELECTED FINANCIAL HIGHLIGHTS

(in $000s)	Three months ended June 30 2026	2025	Six months ended June 30 2026	2025	Three months ended March 31 2026
Revenue	22,700	13,536	42,104	25,012	19,404
EBITDA	4,875	4,038	10,538	7,515	5,663
Adjusted EBITDA[1]	8,755	4,933	16,402	9,042	7,647
Adjusted EBITDA per share - basic[1]	0.08	0.05	0.15	0.12	0.07
Adjusted EBIT[1]	(1,445)	991	(907)	2,051	538
Net (loss) income	(2,292)	460	(2,570)	1,082	(278)
Net (loss) income per share					
Basic	(0.02)	0.00	(0.02)	0.01	(0.00)
Diluted	(0.02)	0.00	(0.02)	0.01	(0.00)

[1] *See Financial Measures Reconciliations below*

Zedcor recorded $22,700 of revenue for the three months ended June 30, 2026. This compares to $13,536 of revenue for the three months ended June 30, 2025. The revenue increase of 68% year over year was due to:

- the execution of the strategic initiative for US expansion;
- diversification of our customer base and attracting new customers across the US and Canada; and;
- meeting the strong customer demand through the production and deployment of MobileyeZ™ towers.

This growth in revenue was offset by lower security personnel revenue, camera sales, and other service revenue.

Quarter over quarter, the Company's total revenue was up $3,296 or 17% and Adjusted EBITDA was up $1,108 or 14%. Revenue increased quarter over quarter as a result of a larger fleet of security towers, revenue growth in the US and Canada through customer acquisition, and growing revenues from existing customers in both regions.

Adjusted EBITDA was $8,755 for the three months ended June 30, 2026, compared to $4,933 for the three months ended June 30, 2025. This was an increase of $3,822 or 77%. Adjusted EBITDA increased year over year due to higher revenues and operating cost controls, offset by the increase in operations management and sales staff costs. Adjusted EBITDA margin for the three months ended June 30, 2026 grew to 39% compared to 36% for the three months ended June 30, 2025. This margin expansion reflects operating leverage as revenue scaled. The difference between Adjusted EBITDA of $8,755 and the net loss for the quarter is attributable principally to depreciation on the growing tower fleet, stock-based compensation, and financing costs — non-operating and non-cash items that scale with the Company's investment in fleet and capital structure rather than with the profitability of deployed towers. A full reconciliation of Adjusted EBITDA to net income is provided under Financial Measures Reconciliations.

The Company's security and surveillance services continued to see strong demand and growth in revenues for the three months ended June 30, 2026 due largely to increased customer demand of its larger fleet of MobileyeZ security towers and expanded US presence. Utilization rates remain steady throughout Q2 2026 for the Company's US and Canada fleet.

Financial and operational highlights for the three and six months ended June 30, 2026 include:

- For the six months ended June 30, 2026, the Company recorded a net loss of ($2,570), compared to net income of $1,082 in the comparative period. The decrease reflects continued investment in scaling the business in the USA, resulting in higher G&A costs, depreciation, stock-based compensation, and financing expenses. The net loss for the quarter reflects a deliberate, front-loaded investment phase in the USA rather than a deterioration in the underlying business. Fixed costs — including the expanded Houston facility, centralized monitoring team, and sales infrastructure — have been built ahead of the revenue they are intended to support, while the fleet deployed during the period will contribute revenue over its multi-year service life.
- The year-over-year swing from net income to a net loss was driven primarily by $5,895 of increased depreciation of property, equipment, and right of use assets reflecting the larger tower fleet and expanded geographic footprint, $6,240 of higher G&A largely from US expansion, $3,785 of stock-based compensation and $1,098 of financing costs associated with the expanded credit facility. Depreciation and financing costs together account for approximately $6,993 of the increase and are direct consequences of the capital deployed to grow the revenue-generating fleet, rather than costs of current operations.
- On February 3, 2026, the Company expanded its credit facility to $75 million in total committed borrowing with its primary lender. In addition to this non-dilutive capital, the Company announced on February 11, 2026, a bought deal public offering of 5,084,000 common shares at $6.00 per share for gross proceeds of $30.5 million. Together, these financings support the acceleration of its growth strategy in the USA, expansion of its security tower fleet across Canada and the USA, and continued buildout of its service and sales platform in the USA.
- The Company consolidated its Houston head office and manufacturing operations into one larger facility to improve production scalability and streamline corporate functions. The Company also expanded its centralized live monitoring team in Houston to support increased tower deployments across the USA. As expansion continues, the Company remains focused on improving economies of scale, increasing manufacturing efficiency and volume, and reducing operating costs while maintaining high customer service levels.
- Continued expansion into key USA markets, including major California and Florida regions. The Company continues to see strong demand outside Texas, with recently established locations experiencing strong growth.
- Surpassed 1,000 customers with significant customer wins in the logistics/ warehousing and residential home building segments across the USA and Canada. We anticipate demand in these verticals to continue to increase as we expand our footprint in the US. This growth in the company's customer base has decreased the reliance on any one customer.
- Full deployment of DirectToDispatch across its monitoring center operations. The integration improves access to and responsiveness from law enforcement, strengthening the Company's ability to deter crime on behalf of its customers and reinforcing the value proposition of Zedcor's Live, Verified Video Monitoring™ service.

- On track USA expansion. Zedcor exited first half 2026 with over 2,200 MobileyeZ™ towers located in the USA which represents nearly 200% fleet growth when compared to Q2 2025. In addition, the Company managed utilization levels in line with internal expectations. The Company also expanded the base of operations with the ability to serve customers coast to coast and continued positive business development with both existing and new USA customers.

- The Company continued to expand its manufacturing capabilities, producing over 600 Solar MobileyeZ™ Security Towers in three months ended June 30, 2026. For the year, the company has manufactured over 1,050 units and production capacity sits at 45-50 towers per week with the ability to increase this without significant capital expenditures.

SELECTED QUARTERLY FINANCIAL INFORMATION

(Unaudited – in $000s, except per share amounts)	June 30 2026	Mar 31 2026	Dec 31 2025	Sept 30 2025	June 30 2025	Mar 31 2025	Dec 31 2024	Sept 30 2024
Revenue	22,700	19,404	17,882	16,020	13,536	11,476	10,334	9,152
Net (loss) income	(2,292)	(278)	1,504	131	460	622	380	310
Adjusted EBITDA[1]	8,755	7,647	7,068	5,739	4,933	4,109	4,002	3,409
Adjusted EBITDA per share - basic[1]	0.08	0.07	0.07	0.05	0.05	0.04	0.04	0.04
Net income (loss) per share								
Basic	(0.02)	(0.00)	0.01	0.00	0.00	0.01	0.01	0.00
Diluted	(0.02)	(0.00)	0.01	0.00	0.00	0.01	0.01	0.00
Adjusted free cash flow[1]	14,792	2,750	10,687	7,747	931	1,526	3,305	3,705

[1] *See Financial Measures Reconciliations below*

OPERATING SEGMENT REVIEW

The Company structured its operations in one operating and reportable segment, Security & Surveillance, based on the way that management organizes the Company's business for making operating decisions and assessing performance.

Security & Surveillance Segment

The S&S segment provides technology-based security solutions and operates a fleet of security towers equipped with high resolution security cameras and disturbance sensors. Central monitoring centers provide 24/7 live, verified monitoring to support the fleet of towers and remote monitoring for fixed camera installations. In addition, the segment offers on-site security personnel to customers across all market segments.

SECURITY AND SURVEILLANCE SEGMENT RESULTS

	Three months ended June 30			Six months ended June 30		
(in $000s)	**2026**	**2025**	**% change**	**2026**	**2025**	**% change**
Total revenue	22,700	13,536	68%	42,104	25,012	68%
Total operating costs	4,819	2,994	61%	9,011	5,519	63%
Depreciation of operating assets*	4,559	2,047	123%	8,252	3,702	123%
	9,378	5,041	86%	17,263	9,221	87%
Gross Margin	13,322	8,495	57%	24,841	15,791	57%
Operating costs as percentage of revenue	21%	22%		21%	22%	
Gross margin percentage	59%	63%		59%	63%	

** Depreciation excludes gain/loss on disposal of assets in segment results.*

Revenue
Q2 2026 vs Q2 2025

S&S segment revenue is driven by utilization and service of its security tower fleet. For the three months ended June 30, 2026, revenue increased by 68% compared to the three months ended June 30, 2025. The increase in Q2 2026 revenue reflects the Company's expanded fleet of MobileyeZ security towers, diversified customer base and growth in the Company's geographical footprint. Utilization rates for the Company's fleet continued to be strong throughout Q2 2026. Customer demand remains strong and is driven by:

a. a need for better physical security services;
b. operational cost savings for customers;
c. macro-economic factors such as labour shortages; and
d. increased spending on infrastructure.

These factors allowed Zedcor to expand its fleet of MobileyeZ, expand its geographical footprint and diversify its customer base across Canada and in the USA.

Operating Expenses
Q2 2026 vs Q2 2025

Total operating costs rose 61% in the quarter, slower than the 68% revenue growth, such that operating costs as a percentage of revenue improved to 21% from 22%. This demonstrates early operating leverage as we find efficiencies in the business, even during a period of aggressive expansion.

Depreciation of operating assets increased 123% year over year, reflecting the near-doubling of the deployed tower fleet. Because towers are capitalized and depreciated over their service lives, this increase is a direct function of fleet growth and is expected to continue rising as deployment accelerates, though the underlying assets generate revenue across multiple years.

Gross Margins
Q2 2026 vs Q2 2025

Gross margin dollars grew 57% year over year to $13,322, while gross margin percentage declined to 59% from 63%. The margin percentage compression is attributable to the step-up in depreciation rather than to deterioration in operating economics, operating costs excluding depreciation actually fell as a percentage of revenue. Excluding depreciation, segment operating costs were 21% of revenue versus 22% in the prior year, indicating that the cash-generating economics of the deployed fleet strengthened.

GEOGRAPHIC OVERVIEW

The Canada region operates a fleet of security towers equipped with high resolution security cameras and sensors. A central command center provides 24/7 Live, Verified Video Monitoring™ to support the fleet of towers throughout Canada and the US, and remote monitoring for fixed camera installations.

CANADA RESULTS

(in $000s)	Three months ended June 30 2026	2025	% change	Six months ended June 30 2026	2025	% change
Total revenue	10,543	9,200	15%	20,236	17,319	17%
Direct operating expenses	2,134	1,807	18%	4,040	3,542	14%
Depreciation of property & equipment	1,735	1,120	55%	3,212	2,123	51%
Total operating costs	3,869	2,927	32%	7,252	5,665	28%
Gross Margin	6,674	6,273	6%	12,984	11,654	11%
Operating Expenses						
General & administrative	1,571	1,349	17%	3,097	2,501	24%
Depreciation of other property & equipment	112	104	8%	223	240	(3%)
Depreciation of right-of-use-assets	343	268	28%	645	532	21%
Loss on disposal of property & equipment	60	4	1,400%	60	4	1,400%
Loss on disposal of right-of-use-assets	—	—	—	—	25	(100%)
	2,086	1,725	21%	4,025	3,302	22%
Other (income) expenses						
Finance costs	61	44	39%	120	97	24%
Foreign exchange loss (gain)	38	12	217%	101	39	159%
	99	56	77%	221	136	63%
Income before income taxes	4,489	4,492	0%	8,738	8,216	6%

Revenue - Canada

Q2 2026 vs Q2 2025

Revenue for the three months ended June 30, 2026 was $10,543 as compared to $9,200 for the three months ended June 30, 2025. Revenue for the quarter increased 15% as a result of the growth of the fleet, new and existing customer growth, and strong demand.

Operating Margin - Canada

Q2 2026 vs Q2 2025

Gross margin was 63% of revenue for the three months ended June 30, 2026, compared to 68% for the three months ended June 30, 2025. The decline was driven primarily by a 55% increase in depreciation of property and equipment, reflecting the larger deployed tower fleet in Canada, as well as direct operating expenses growing slightly faster than revenue. Excluding depreciation, the segment's underlying operating economics remained stable, supported by high utilization rates and realized efficiencies from camera upgrades.

UNITED STATES RESULTS

(in $000s)	Three months ended June 30 2026	2025	% change	Six months ended June 30 2026	2025	% change
Total revenue	12,157	4,336	180%	21,868	7,693	184%
Direct operating expenses	2,685	1,187	126%	4,971	1,977	151%
Depreciation of property & equipment	2,824	927	205%	5,040	1,579	219%
Total operating costs	5,509	2,114	161%	10,011	3,556	182%
Gross Margin	6,648	2,222	199%	11,857	4,137	187%
Operating Expenses						
General & administrative	4,232	2,026	109%	7,347	3,652	101%
Depreciation of other property & equipment	69	94	(27%)	83	94	(12%)
Depreciation of right-of-use-assets	930	394	136%	1,469	637	131%
Loss on disposal of property & equipment	3	—	N/A	458	—	N/A
	5,234	2,514	108%	9,357	4,383	113%
Other (income) expenses						
Finance costs	525	280	88%	658	294	124%
Foreign exchange gain	(21)	—	N/A	(21)	—	N/A
	504	280	80%	637	294	117%
Income before income taxes	910	(572)	259%	1,863	(540)	445%

Revenue – United States
Q2 2026 vs Q2 2025

Revenue for the three month period ended June 30, 2026 was $12,157 as compared to $4,336 for the three months ended June 30, 2025. Revenues are higher due to continued expansion throughout the US from newly established customers, strong demand, growing fleet of towers, and new customers.

Operating Margin – United States
Q2 2026 vs Q2 2025

Gross margin improved to 55% for the three months ended June 30, 2026, from 51% in the prior-year period, driven by scale efficiencies and direct operating cost controls achieved during the US expansion. Direct operating expenses as a percentage of revenue fell to 22% from 27% year over year, bringing US operating efficiency in line with the Company's Canadian operations. This convergence marks an important milestone, demonstrating that US operations have scaled to the operating economics the Company targeted.

OTHER EXPENSES

(in $000s)	Three months ended June 30 2026	2025	% change	Six months ended June 30 2026	2025	%change
General and administrative	9,126	5,609	63%	16,691	10,451	60%
Stock compensation expense	3,773	879	329%	5,244	1,459	259%
Depreciation of administrative assets	314	275	14%	535	418	28%
Depreciation of right-of-use assets	1,361	725	88%	2,572	1,344	91%
Finance costs	1,051	531	98%	2,067	969	113%

For the three and six months ended June 30, 2026:

- Total general and administrative expenses increased 63% and 60%, respectively. This increase in general and administrative costs was due to headcount increases in sales, operations management, and administrative staff as a result of our expanded footprint, US expansion costs, and larger sales related expenses.

- Stock compensation expense increased by 329% and 259%, respectively, due to increased head count across the company.
- Depreciation of right-of-use assets increased by 88% and 91%, respectively, due to a larger vehicle fleet as a result of headcount increases, an increase in the number of service branches across the US, and the addition of a larger, combined head office and manufacturing site in Houston, Texas.
- Finance costs increased by 98% and 113%, respectively, as a result of higher total debt to support the expansion of the MobileyeZ™ fleet and expansion across the US.

OUTLOOK

Zedcor continues to execute its long-term strategy of growing its technology enabled security services across North America. The Company continues to effectively use a mix of cash flow, debt, and the proceeds from its equity financing to build additional MobileyeZ™ security towers to provide surveillance services to our expanding customer base. The Company was able to effectively deploy new MobileyeZ™ towers to new customers throughout the Company's operating regions and grow US revenues to over 50% of total revenues in 2026. The Company has grown its salesforce across North America in order to keep utilization rates at peak levels for its MobileyeZ™ and continue to expand its service offering to different industries.

Priorities that the Company intends to focus on for the remainder for 2026 include:

1) Expanding operations in the United States and continuing to grow revenues in Canada. Due to significant spending on infrastructure in North America, along with increased theft and vandalism, the Company is seeing strong demand for its products in both countries. Zedcor's innovative products, coupled with the Company's commitment to customer service, are perfectly situated to disrupt the traditional security market.
2) With the strong demand that Zedcor is seeing for its security towers, the Company continues to further take control of its supply chain and remove bottlenecks for its security towers by growing the manufacturing team, focusing on economies of scale with bigger orders, and assembling more of the components of its towers in house. This will allow the Company to actively manage demand and, over time, reduce our capital costs.
3) Building new, innovative products based on customer demand. As the Company has obtained customers in different industry verticals, it has seen an increasing number of use cases for its security solutions coupled with Zedcor's 24/7 Live, Verified™ video monitoring. This includes a need for additional AI-based technology that is actively monitored as well as a mobile security product with a smaller footprint. The Company has also started to invest in building its own software to leverage the knowledge it has gained over the years in monitoring operations.
4) The Company intends to generate customer and shareholder value and positive Adjusted EBITDA. By effectively managing its growth, executing on the above-mentioned strategies and increasing its capital markets presence, Zedcor will be able to continue to generate positive earnings per share, grow its shareholder base and increase share price.

LIQUIDITY AND CAPITAL RESOURCES

Sources and Uses of Cash

The following table shows a summary of the Company's cash flows by source or (use) for the six months ended June 30, 2026 and 2025:

	Six months ended June 30			
(in $000s)	**2026**	**2025**	**$ Change**	**% Change**
Cash flow from operating activities	8,062	2,853	5,209	183%
Cash flow used by investing activities	(42,435)	(22,761)	(19,674)	86%
Cash flow from financing activities	34,722	20,540	14,182	69%

The following table presents a summary of working capital information:

	As at June 30			
(in $000s)	**2026**	**2025**	**$ Change**	**% Change**
Current assets	23,957	19,609	4,348	22%
Current liabilities *	28,461	16,700	11,761	70%
Working capital	(4,504)	2,909	(7,413)	(255%)

**Includes $0.7 million of debt and $6.2 million of lease liabilities in 2026 and $4.3 million of debt and $3.6 million of lease liabilities in 2025*

The primary uses of funds are operating expenses, capital spending, interest and principal payments on debt facilities. The Company has a variety of sources available to meet these liquidity needs, including cash generated from operations. In general, the Company funds its operations with cash flow generated from operations, while growth capital and acquisitions are typically funded by issuing new equity, debt or cash flow from operations.

Principal Credit Facility

	Interest rate	Final maturity	Facility maximum	Outstanding as at June 30, 2026	Outstanding as at December 31, 2025
Revolving Operating Loan	Prime + 1.00%	Oct 2028	75,000	48,191	39,898
Equipment Financing	Various	Various	N/A	1,474	1,121
				49,665	41,019
Current portion				(652)	(425)
Long term debt				49,013	40,594

On October 6, 2025, the Company entered into an agreement with a bank in Canada for a $50.0 million revolving operating loan, which was subsequently increased by $25.0 million, to $75.0 million, on February 3, 2026. The Company also has an uncommitted revolver as part of the Revolving Operating Loan for an additional $25.0 million.

The interest is payable at Prime plus the Applicable Margin. The Applicable Margin means, the percentage per annum applicable to the Net Funded Debt to EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) ratio. As at June 30, 2026 the Applicable Margin was 1.00% (as at December 31, 2025 – 1.25%). As at June 30, 2026 the Canadian Prime interest rate is 4.45% (as at December 31, 2025 – 4.45%).

The revolving operating loan has the following quarterly financial covenant requirements:

- A Net Funded Debt to EBITDA ratio of no more than 3.50:1.00, as at the end of each fiscal quarter; and
- A Fixed Charge Coverage Ratio of no less than 1.15:1.00 as at the end of each fiscal quarter.

The revolving operating loan is secured with a first charge over the Company's current and future assets, a general security agreement, and other standard financial and non-financial security. As at June 30, 2026, the Company is in compliance with its financial covenant requirements.

The Company may also enter into specific financing agreements with certain vendors for specific pieces of equipment. These financing agreements are entered into at the time of purchase and granted by various third parties based on the Company's financial condition at the time. They are secured with specific equipment being financed and terms and interest rates are decided at the time of application. As at June 30, 2026, the Company had $1,474 outstanding with respect to these specific financing agreements (as at December 31, 2025 - $1,121).

COMMITMENTS AND OBLIGATIONS

The following table shows the undiscounted contractual maturities of the Company's financial liabilities and finance and operating lease obligations as at June 30, 2026:

(in $000s)	1 Year	2-3 years	4-5 years	Thereafter	Total	Carrying value
Accounts payable and accrued liabilities	21,609	—	—	—	21,609	21,609
Current debt	754	—	—	—	652	652
Long-term debt	—	48,387	4,155	—	52,542	49,013
Finance lease liabilities	6,822	8,799	5,172	2,547	23,340	18,323
Total	29,185	57,186	9,327	2,547	98,143	89,597

OUTSTANDING SECURITIES

At August 12, 2026, the Company had the following securities outstanding:

- 112,789,397 common shares issued and outstanding; and
- 1,4161,667 options are outstanding with exercise prices ranging from $0.15 per share to $1.25 per share; 1,158,329 options are exercisable at prices ranging from $0.15 per share to $1.25 per share.
- 8,814,006 DSUs and RSUs are outstanding; 1,000,000 DSUs and nil RSUs are exercisable.

RELATED PARTY TRANSACTIONS

The Company had the following related party transactions for the six months ended June 30, 2026:

- $207 in wages paid to close family members of executive officers (six months ended June 30, 2025 - $245).
- $113 in promotional products and uniforms purchased from a company owned by a close family member of an executive officer (six months ended June 30, 2025 - $97).
- $1,544 paid for software development services in a company which Zedcor has significant influence in and a Zedcor's CEO is on the board of directors (six months ended June 30, 2025 - $nil).
- $nil in corporate secretarial services paid to a company owned by a close family member of an executive officer (June 30, 2025 - $136).

These related party transactions are in the normal course of business and have been recorded at the exchange amount. At June 30, 2026 the amounts receivable from related parties was $nil and amounts payable to related parties was $18 (as at June 30, 2025 - $nil receivable and $172 payable).

OFF BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

BUSINESS RISKS AND UNCERTAINTIES

Business risks and uncertainties remain substantially unchanged from those disclosed in the annual Management Discussion and Analysis dated April 12, 2026. For a discussion of the business risks and uncertainties related to Zedcor Inc., please refer to the annual Management Discussion and Analysis and to Zedcor Inc.'s Annual Information Form dated April 12, 2026, both of which can be found on the Company's website or at www.sedarplus.ca.

ACCOUNTING POLICIES

The Company's accounting policies are set out in Note 3 of the Annual Financial Statements.

FINANCIAL MEASURES RECONCILIATIONS

Zedcor Inc. uses certain measures in this MD&A which do not have any standardized meaning as prescribed by International Financial Reporting Standards ("IFRS"). These measures which are derived from information reported in the consolidated statements of operations and comprehensive income may not be comparable to similar measures presented by other reporting issuers. These measures have been described and presented in this MD&A in order to provide shareholders and potential investors with additional information regarding the Company.

Investors are cautioned that EBITDA, adjusted EBITDA, adjusted EBITDA per share, adjusted EBIT and adjusted free cash flow are not acceptable alternatives to net income or net income per share, a measurement of liquidity, or comparable measures as determined in accordance with IFRS.

EBITDA and Adjusted EBITDA

EBITDA refers to net income before finance costs, income taxes, depreciation and amortization. Adjusted EBITDA is calculated as EBITDA before gains or losses on foreign exchange, losses on sale of equipment and right-of-use-assets, stock based compensation and unrealized investment loss. These measures do not have a standardized definition prescribed by IFRS and therefore may not be comparable to similar captioned terms presented by other issuers.

Management believes that EBITDA and Adjusted EBITDA are useful measures of performance as they eliminate non-recurring items and the impact of finance and tax structure variables that exist between entities. "Adjusted EBITDA per share – basic" refers to Adjusted EBITDA divided by the weighted average basic number of shares outstanding during the relevant periods.

A reconciliation of net income to Adjusted EBITDA is provided below:

(in $000s)	Three months ended June 30 2026	2025	Six months ended June 30 2026	2025
Net (loss) income	(2,292)	460	(2,570)	1,082
Add:				
Finance costs	1,051	531	2,067	969
Depreciation of property & equipment	4,873	2,322	8,787	4,120
Depreciation of right-of-use assets	1,361	725	2,572	1,344
Deferred tax recovery	(204)	—	(404)	—
EBITDA	4,789	4,038	10,452	7,515
Add (deduct):				
Stock based compensation	3,773	879	5,244	1,459
Loss on sale of property & equipment	63	4	518	4
Loss (gain) on disposal of right-of-use-assets	8	—	(1)	25
Unrealized investment loss	86	—	86	—
Loss on foreign exchange	36	12	103	39
	3,966	895	5,950	1,527
Adjusted EBITDA	8,755	4,933	16,402	9,042

Adjusted EBIT

Adjusted EBIT refers to earnings before interest and finance charges and taxes.

A reconciliation of net income to Adjusted EBIT is provided below:

(in $000s)	Three months ended June 30 2026	2025	Six months ended June 30 2026	2025
Net (loss) income	(2,292)	460	(2,570)	1,082
Add (deduct):				
Finance costs	1,051	531	2,067	969
Deferred tax recovery	(204)	—	(404)	—
Adjusted EBIT	(1,445)	991	(907)	2,051

Adjusted free cash flow

Adjusted free cash flow is defined by management as net income plus non-cash expenses, unrealized investment loss, plus or minus the net change in non-cash working capital and one time income and expenses, less maintenance capital. Maintenance capital is also a non-IFRS term. Management defines maintenance capital as the amount of capital expenditure required to keep its operating assets functioning at the same level of efficiency. Management believes that adjusted free cash flow reflects the cash generated from the ongoing operation of the business. Adjusted free cash flow is a non-IFRS measure generally used as an indicator of funds available for re-investment and debt payment. There is no standardized method of determining free cash flow, adjusted free cash flow or maintenance capital prescribed under IFRS and therefore the Company's method of calculating these amounts is unlikely to be comparable to similar terms presented by other issuers.

Adjusted free cash flow from continuing operations is calculated as follows:

(in $000s)	Three months ended June 30 2026	2025	Six months ended June 30 2026	2025
Net (loss) income	(2,292)	460	(2,570)	1,082
Add non-cash expenses:				
Depreciation of property & equipment	4,873	2,322	8,787	4,120
Depreciation of right-of-use assets	1,361	725	2,572	1,344
Unrealized investment loss	86	—	86	—
Stock based compensation	3,773	879	5,244	1,459
Loss on sale of property & equipment	63	4	518	4
Loss (gain) on disposal of right-of-use-asset	8	—	(1)	25
Finance costs (non-cash portion)	—	26	—	13
Deferred tax recovery	(204)	—	(404)	—
Maintenance capital	(49)	(11)	(102)	(57)
	7,619	4,405	14,130	7,990
Change in non-cash working capital	7,173	(3,485)	946	(2,092)
Adjusted Free Cash Flow	14,792	1,727	15,076	5,481

FORWARD-LOOKING STATEMENTS

Certain statements included or incorporated by reference in this MD&A constitute forward-looking statements or forward-looking information, including management's belief that streamlining rental assets with newer equipment will drive improvements in equipment rental rates and utilization, and that the expanded market reach and customer base will lead to more diversity in the Company's revenue stream and increase utilization. Forward-looking statements or information may contain statements with the words "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose", "budget", "should", "project", "would have realized', "may have been" or similar words suggesting future outcomes or expectations. Although the Company believes that the expectations implied in such forward-looking statements or information are reasonable, undue reliance should not be placed on these forward-looking statements because the Company can give no assurance that such statements will prove to be correct. Forward-looking statements or information are based on current expectations, estimates and projections that involve a number of assumptions about the future and uncertainties. These assumptions include that the Company's new solar hybrid light tower and related security and surveillance service offerings will lead to more diversity in revenue streams and protect against future down swings in the economic environment. Although management believes these assumptions are reasonable, there can be no assurance that they will prove to be correct, and actual results will differ materially from those anticipated. For this purpose, any statements herein that are not statements of historical fact may be deemed to be forward-looking statements. The forward-looking statements or information contained in this MD&A are made as of the date hereof and the Company assumes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new contrary information, future events or any other reason, unless it is required by any applicable securities laws. The forward-looking statements or information contained in this MD&A are expressly qualified by this cautionary statement.

This MD&A also makes reference to certain non-IFRS measures, which management believes assists in assessing the Company's financial performance. Readers are directed to the section above entitled "Financial Measures Reconciliations" for an explanation of the non-IFRS measures used.

ADDITIONAL INFORMATION

Information about Zedcor Inc. may be found on the SEDAR+ website at www.sedarplus.ca on the Company's website at www.zedcor.com. The Company trades on the TSX Venture Exchange under the symbol ZDC.