

Yubba Capital Corp.

Management's Discussion and Analysis

For the three and nine months ended September 30, 2023

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The following discussion of the results of operations, financial condition and cash flows of Yubba Capital Corp. (the "Company") was prepared as at November 7, 2023, and should be read in conjunction with the Company's financial statements for the year ended December 31, 2022 and period from January 8, 2021 to December 31, 2021, and the unaudited interim condensed financial statements for the three and nine months ended September 30, 2023 and 2022, prepared in accordance with International Financial Reporting Standards ("IFRS"). The financial statements are available at www.sedar.com. All amounts disclosed are in Canadian dollars unless otherwise stated.

Forward Looking Statements

This Management Discussion and Analysis contains "forward-looking statements" which may include, but are not limited to, statements with respect to the future financial or operating performance of the Company and its projects, capital and operating expenditures, costs and timing of the development of new acquisitions, and requirements for additional capital. Often, but not always, forward-looking statements can be identified by the use of words such as "plans," "expects," "is expected," "budget," "scheduled," "estimates," "forecasts," "intends," "anticipates," or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may," "could," "would," "might" or "will" be taken, occur or be achieved. Forward-looking statements are based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable at the date that such statements are made. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that 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, but are not limited to, the factors discussed in the section entitled "Business Environment and Risks". 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 to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as at the date of this management discussion and analysis. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements except as required by applicable securities laws.

Nature of operations

Yubba Capital Corp. ("Yubba" or the "Company") was incorporated on January 8, 2021, under the Ontario Business Corporations Act. The Company is classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange").

The principal business of the Company will be the identification and evaluation of assets or businesses with a view to completing a Qualifying Transaction ("QT"). The Company has not commenced commercial operations and has no assets other than cash. Given the nature of the activities, no separate segmented information is reported. The Company's continuing operations, as intended, are dependent on its ability to secure equity financing with which it intends to identify and evaluate potential acquisitions of businesses, and once identified and evaluated, to negotiate an acquisition thereof or participation therein subject to receipt of regulatory and, if required, shareholders' approval.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, subject to the requirements of the TSX Venture Exchange. These restrictions will apply until completion of a QT by the Company as defined under the policies of the Exchange. The Company is required to complete its QT on or before two years from the date the Company receives regulatory approval.

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Qualifying Transaction

On December 31, 2022, the Company and Impact Housing Corporation ("IHC") announced that they have entered into a letter of intent dated December 1, 2022 (the "LOI"), pursuant to which Yubba and IHC will complete a transaction that will result in a reverse take-over of Yubba by IHC (the "Proposed Transaction"). The Proposed Transaction, if completed, will constitute Yubba's "Qualifying Transaction" (as such term is defined in Policy 2.4 of the TSX Venture Exchange (the "TSXV")).

IHC is a Panamanian based real estate developer, incorporated under the laws of the Republic of Panama on February 15, 2017, that provides affordable housing supported by a longstanding subsidized government program with multiple product offerings. The principal business of IHC is to build and develop affordable and high quality subsidized houses and in the Republic of Panama to support the middle class market. The vision of IHC is effectuated by a vertically integrated model which coordinates all services necessary to develop high-quality residential and commercial buildings; including but not limited to land acquisition, financing, architectural, engineering, off-site manufacturing, general contracting, property management, and administration. IHC is incorporated under the laws of the Republic of Panama.

In conjunction with, and prior to the closing of the Proposed Transaction, IHC intends to complete a private placement offering of a minimum of USD\$4,000,000 and a maximum of USD\$8,000,000 of subscription receipts (the "Concurrent Offering"). Immediately prior to the completion of the Proposed Transaction, it is anticipated that each subscription receipt will be converted into (1) common share in the capital of IHC. The offering price (the "Offering Price") for the Concurrent Financing shall be based on several factors, including general market conditions at the time of the Concurrent Financing. A comprehensive news release with further particulars and full terms will be provided prior to the closing of the Concurrent Offering, in accordance with the policies of the TSXV.

The Proposed Transaction is expected to be structured as a plan of arrangement, three-cornered amalgamation, merger, a share exchange or other mechanism deemed to be most effective, as determined by the mutual agreement of IHC and Yubba upon receipt of tax, corporate and securities law advice. Pursuant to the Proposed Transaction, holders of common shares in the capital of IHC (the "IHC Shares"), including those investors in the Concurrent Offering, will receive one (1) common share in the capital of Yubba (each, a "Yubba Share") for each IHC Share held. In order to align the value of the Yubba Shares with the value per IHC Share at which the Proposed Transaction will be completed, it is anticipated that Yubba will complete either a share split or share consolidation (the "Share Capital Amendment") on the basis of a ratio that results in the aggregate number of post-Share Capital Amendment Yubba Shares multiplied by the Offering Price being equal to C\$1,100,000, subject to customary adjustments.

On April 14, 2023, the Company and IHC entered into a share exchange agreement.

For the three and nine months ended September 30, 2023 and 2022

For the three months ended September 30, 2023, the Company incurred \$8,498 in professional fees compared with \$3,250 for the three months ended June 30, 2022. Professional fees were slightly higher primarily due to professional fee accruals.

For the nine months ended September 30, 2023, the Company incurred \$18,650 in professional fees compared with \$9,325 for the nine months ended September 30, 2022. Professional fees were higher primarily due costs incurred with the qualifying transaction.

For the three months ended September 30, 2023 and 2022, the company incurred public company and transaction costs of \$14,313 compared with \$1,590 for the three months ended September 30, 2022. The increase was primarily due to costs incurred for the qualifying transaction.

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For the nine months ended September 30, 2023 and 2022, the company incurred public company and transaction costs of \$37,490 compared with \$12,827 for the nine months ended September 30, 2022. The increase was primarily due to costs incurred for the qualifying transaction.

As at September 30, 2023, the Company had assets of \$175,782 (December 31, 2022 - \$213,279) and shareholders' equity of \$143,073 (December 31, 2022 - \$203,747). The Company had liabilities of \$32,709 (December 31, 2022 - \$9,532). The decrease was largely attributed to the net loss.

As at September 30, 2023, the Company has working capital of \$143,073 (December 31, 2022 - \$203,747). The Company had cash of \$175,782 (December 31, 2022 - \$213,279).

The Company has no source of revenue. There can be no assurance that adequate funding will be available in the future, or available under terms favorable to the Company.

The Company has no revenues, so its ability to ensure continuing operations is dependent on additional funding and the acquisition and development of an operating asset.

Net loss

For the three months ended September 30, 2023, the Company had a net loss of \$24,017 and a net loss of \$5,563 for the three months ended September 30, 2022.

For the nine months ended September 30, 2023, the Company had a net loss of \$60,674 and a net loss of \$26,207 for the nine months ended September 30, 2022.

A summary of selected information for the last eight quarters are as follows:

Three Month Periods Ended	Net Revenues (\$)	Net loss		Total Assets (\$)
		Total (\$)	Per Share (\$)	
2023 – September 30	-	\$(24,017)	0.00	175,782
2023 – June 30	-	\$(19,335)	0.00	181,446
2023 – March 31	-	\$(17,322)	0.00	191,544
2022 – December 31	-	\$(5,245)	0.00	213,279
2022 – September 30	-	(5,563)	0.00	214,850
2022 – June 30	-	(15,632)	0.00	227,302
2022 – March 31	-	(5,012) ⁽¹⁾	0.00	258,638
2021 – December 31	-	(20,802) ⁽¹⁾	(0.01)	264,756

Notes:

⁽¹⁾ The Company recognized a net loss largely due to the costs associated with the listing with the TSX Venture.

Liquidity and Capital Resources

As at September 30, 2023, the Company had cash of \$175,782 compared with cash of \$213,279, as at December 31, 2022.

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The Company's primary source of cash, beyond its own balance sheet, would be potential financing transactions. The Company's primary use of cash include general and administrative costs.

Operating Activities

Cash used by operating activities for the nine months ended September 30, 2023 was \$37,497 compared with \$49,906 for period nine months ended September 30, 2022. The lower net cash used in in operating activities was attributed to a smaller change in non-cash working capital items.

Capital Resources

The has no outstanding commitments for capital expenditures. Other than cash on hand, the Company has no other ability to fund its working capital obligations.

Outlook

The Company entered into a letter of intent dated December 1, 2022, pursuant to which Yubba and IHC will complete a transaction that will result in a reverse take-over of Yubba by IHC. The Proposed Transaction, if completed, will constitute Yubba's "Qualifying Transaction" (as such term is defined in Policy 2.4 of the TSX Venture Exchange.

Off-Balance Sheet Arrangements

The Company had no off-balance sheet arrangements at either September 30, 2023 and December 31, 2022.

Related party transactions

There was no remuneration was paid to key management personnel during the three and nine months ended September 30, 2023 and 2022.

Outstanding Share Data

As at November 7, 2023, the Company had 5,220,000 common shares and outstanding.

Financial risk management

The Company has exposure to liquidity risk, and fair value risk. The Company's risk management objective is to protect cash flow and, ultimately, shareholder value. Risk management strategies, as discussed below, are designed and implemented to ensure the Company's risks and the related exposures are consistent with the business objectives and risk tolerance.

Liquidity Risk: Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company manages its liquidity by ensuring that there is sufficient capital to meet short and long-term business requirements, after taking into account cash flows for administration expenses from operations and the Company's holdings of cash. The Company also strives to maintain sufficient financial liquidity at all times in order to participate in investment opportunities as they arise, as well as to withstand sudden adverse changes in economic circumstances. As the Company is currently inactive, it has no outstanding commitments for capital expenditures. Other than cash on hand, the Company has no ability to fund its working capital obligations.

Management forecasts cash flows for its current and subsequent fiscal years to predict future financing requirements. Future requirements may be met through a combination of credit and access to capital markets. At September 30, 2023, the Company had \$175,782 (December 31, 2022 - \$213,279) in cash.

Fair Values: The Company's amounts payable and accrued liabilities, all had fair values which

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approximate their carrying values due to their short term maturities.

The Company categorizes each of its fair value measurements in accordance with a fair value hierarchy. Level 1 inputs are quoted market prices in active markets for identical assets or liabilities. Level 2 inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability, or inputs that are derived principally from or corroborate by observable market data or other means. Level 3 inputs are unobservable. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. The Company only classified cash as FVTPL, which is measured using Level 1 inputs.

Business Environment and Risks

Potential future financial requirements: In order to meet its liabilities additional financing will be required.

Current Global Financial Conditions: Current global financial conditions have been subject to increased volatility and as a result, access to financing may be negatively impacted. These factors may further impact the ability of the Company to obtain additional capital in the future. If these increased levels of volatility continue, the Company's operations could be adversely impacted and the value and the price of its common shares and other securities could continue to be adversely affected.

Negative Operating Cash flows: The Company currently does not have any revenues and as a result the Company has experienced negative operating cash flow. There can be no assurance that significant additional losses will not occur in the near future or that the Company will be profitable in the future. The Company's operating expenses and capital expenditures may increase in subsequent years as needed.

The Company expects to continue to incur losses unless and until such time that it acquires a business to fund its operations. There can be no assurance that the Company will generate any revenues or achieve profitability nor can there be any assurance that the underlying assumed levels of expenses will prove to be accurate.

Key Executives and Directors: The Company is dependent on the services of its executives and directors. Due to the relatively small size of the Company, the loss of these persons or the Company's inability to attract and retain additional highly skilled people may adversely affect its business and future operations.

Conflicts of Interest: Certain directors and officers of the Company may serve from time to time as directors, officers, promoters and members of management of other companies involved in other companies and therefore it is possible that a conflict may arise between their duties as a director or officers of the Company and their duties as a director, officer, promoter or member of management of such other companies.

The directors and officers of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosures by directors of conflicts of interest. The Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors or officers. All such conflicts will be disclosed by such directors or officers in accordance with the *Business Company's Act* (Ontario) and the directors and officers will govern themselves in respect thereof to the best of their ability in accordance with the obligations imposed upon them by law.

COVID-19: The outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and

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central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and conditions of the Company in future periods.

Critical Accounting Estimates

The Company's financial statements are prepared in accordance with IFRS and, in preparing these statements, management must make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. The estimates and assumptions are believed to be reasonable under the circumstances and are based on historical experience and current conditions. The use of other assumptions could result in different estimates, and actual results may vary from results based on these estimates. As events occur and additional information is obtained, these estimates may be subject to change. Estimates are deemed critical when the Company's financial condition or results of operations could be materially impacted by a change in estimate. The Company's significant accounting policies are discussed in its financial statements for the year ended December 31, 2022.

The areas which require management to make significant estimates and assumptions in determining carrying values include, but are not limited to, the provision for income taxes.

Disclosure Controls and Procedures

Management has established processes to provide them with sufficient knowledge to support representations that they have exercised reasonable diligence in that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements, and (ii) the financial statements fairly present in all material respects the financial condition, financial performance and cash flow of the Company, as of the date of and for the periods presented.

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

- 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
- 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 generally accepted accounting principles (IFRS).

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 the certificate. 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 NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.