

ICARUS CAPITAL CORP.
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE PERIOD FROM FEBRUARY 2, 2021 (DATE OF INCORPORATION) TO
DECEMBER 31, 2021

OVERVIEW AND INTRODUCTORY COMMENT

Icarus Capital Corp. (the “Company”) is incorporate and domiciled in Canada under the Business Corporations Act (British Columbia). The Company’s registered place of business is located at 1125 Howe Street, Vancouver British Columbia, V6Z 2K8, Canada.

Since incorporation, the Company’s sole activity has been the preparation of a prospectus to become listed on the TSX Venture Exchange (the “Exchange”) as a “Capital Pool Company” as defined in the Exchange’s Listing Policy 2.4.

As a Capital Pool Company, the principal business of the Company is to identify and evaluate opportunities for the acquisition of an interest in assets or businesses and once identified and evaluated, to negotiate an acquisition or participation subject to receipt of shareholder approval and acceptance for filing by the Exchange. Until the completion of such a Qualifying Transaction (“QT”), as defined under Exchange Listing Policy 2.4, the Company will not carry on business other than identification and evaluation of assets or businesses in this connection. The Company does not have business operations or assets other than cash and has no written or oral agreements for the acquisition of an asset or business at this time.

The MD&A is dated February 2, 2022 and discloses specific information up to that date. Unless otherwise noted, all currency amounts are expressed in Canadian dollars. The Company reports its financial position, results of operations and cash flows in accordance with International Financial Reporting Standards (“IFRS”). The following information should be read in conjunction with the audited condensed financial statements and the related notes for the period ending December 31, 2021.

Additional information relevant to the Company and the Company’s activities can be found on SEDAR at www.sedar.com.

FORWARD LOOKING STATEMENTS

This MD&A may contain “forward-looking statements” which reflect expectations regarding future results of operations, performance and achievements of the Company. All statements, other than a statement of historical fact, may be forward-looking statements. The Company has tried, wherever possible, to identify these forward-looking statements by, among other things, using words such as “anticipate,” “believe,” “estimate,” “expect” and similar expressions. The statements reflect the current beliefs of the management of the Company and are based on currently available information. Accordingly, these statements are subject to known and unknown risks, uncertainties and other factors, which could cause the actual results, performance, or achievements of the Company to differ materially from those expressed in, or implied by, these statements. The risks include those outlined under the “Risk Factors” section of this MD&A and elsewhere in the Company’s public

disclosure documents. The Company believes that the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct. Readers are cautioned not to place undue reliance on these forward- looking statements. All forward-looking statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement.

FINANCIAL CONDITION

Liquidity

As of December 31, 2021, the Company had working Capital of \$34,487 with \$34,487 held in cash.

Management believes the Company has sufficient working capital at this time to meet its ongoing financial obligations. However, there is no revenue generated from operations, and any additional working capital would require raising additional debt and/or equity capital. There is no assurance that the Company will ultimately achieve profitable operations, become cash flow positive, or raise sufficient funds through the issuance of additional debt and/or equity in the current volatile capital markets.

Operations

For the period from incorporation on February 2, 2021 (date of incorporation) to December 31, 2021:

The Company incurred losses of \$8,477 (\$0.00 loss per share) from the period of incorporation on February 2, 2021 to December 31, 2021.

The Company's general and administrative expenses amounted to \$8,477, which include: (a) banking fees (\$152), (b) professional services (\$8,325) as the Company prepared to go public.

The following table is a summary of the Company's financial results as at December 31, 2021:

	December 31, 2021
Net loss and comprehensive loss	\$8,477
Net loss per share	\$0.00
Working Capital	\$34,487
Total assets	\$93,023
Cash flow from operating activities	(\$65,513)
Cash flow from financing activities	\$100,000

Management anticipates the ongoing costs related to the identification, evaluation, due diligence, negotiation and completion of the QT will be incurred in future periods. The timing and magnitude of the costs is not predictable. These costs may be significant and could possibly result in higher general administrative expenses. To date, the Company has procured working capital through equity financing. The Company acknowledges that it may require additional funding to complete a QT. As such, the Company will seek to raise additional capital and believes that it will be able to do so, but recognizes the

uncertainty attached thereto. Funding requirements may vary from those planned to due to a number of factors.

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Related parties include the board of directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions. During the period ended December 31, 2021, the Company incurred no related party transactions. There was no remuneration paid to key management personnel during the period ended December 31, 2021.

COMMITMENTS, EXPECTED OR UNEXPECTED, OR UNCERTAINTIES

As of the date of the MD&A, the Company does not have any commitments, expected or unexpected, or uncertainties.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial instruments consist of cash, and accrued liabilities. Management does not believe these financial instruments expose the Company to any significant interest, currency or credit risks. Financial assets are required to be initially measured at fair value and subsequently classified at amortized costs or fair value on the basis of the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Financial liabilities are initially measured at fair value and subsequently classified as amortized cost.

RISK FACTORS

In our prospectus filed on SEDAR on December 15, 2021 in connection with our initial public offering, we have set our discussion of the risk factors which we believe are the most significant risks faced by the Company. An adverse development in any risk factor or a combination of risk factors could result in material adverse outcomes to the Company's undertakings and to the interests of stakeholders in the Company including its investors. Readers are cautioned to take into account the risk factors to which the Company and its operations are exposed.

No Operating History

The Company was incorporated on February 2, 2021, has not commenced commercial operations, and has no assets other than cash. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to produce earnings or pay dividend in the immediate or foreseeable future. Until completion of the QT, the Company is not permitted to carry on any business other than identification and evaluation of potential QTs. The Company has only limited funds with which to identify and evaluation potential QTs and there is no assurance that the Company will be able to identify a suitable QT. Even if the proposed QT is identified, there can be no assurance that the Company will be able to successfully complete the transaction.

Possible Trading Suspension or Delisting

The exchange may suspend from trading or delist the securities of the Company where the Company has failed to complete the QT within the 24 months of the date of the listing of the Company fails to meet the initial listing requirements of the Exchange upon completion of the QT.

Halt of Trading

Upon public announcement of a potential QT, trading in the Class “A” Common voting shares of the Company will be halted and will remain halted until completion of the QT, or sooner pursuant to Policy 2.4 – Capital Pool Companies. Neither the Exchange nor any security regulatory authority passes upon the merits of the potential QT.

Exchange May Not Approve a Qualifying Transaction

Completion of a QT is subject to several conditions including acceptance by the Exchange and in the case of a Non-Arm’s Length QT, Majority and Minority Approval as such terms defined in Policy 2.4 – Capital Pool Companies. Notwithstanding that a transaction may meet the definition of a QT, the exchange may not approve a QT.

Dilution

If the Company issues treasury shares to finance acquisition or participation opportunities, control of the Company may change, and subscribers may suffer dilution of their investment.

Directors and Officers

The directors and officers of the Company will not be devoting all of their time to the affairs of the Company but will be devoting such time as required to effectively manage the Company.

Additionally, directors and officers of the Company may also serve as directors and/or officers of other reporting issuers from time to time.

The Company has not purchased “key-man” insurance, nor has it entered into non-competition disclosure agreements with management and has no current plans to do so.

Reliance on Management

The Company is relying solely on the past business success of its directors and officers to identify a QT of merit. The success of the Company is dependent upon the efforts and abilities of its directors and officers. The loss of any directors or officers could have material adverse effect upon the business and prospects of the Company.

Volatile Financial Markets

The extreme volatility occurring in the financial markets is a significant for the Company. As a result of the market turmoil, investors are moving away from assets they perceive as risky to those perceive as less so. Issuers like the Company are considered risk assets and as mentioned above are highly speculative. The volatility in the markets and investors sentiment may make it difficult for the Company to access the capital markets in order to raise capital it will need to fund its current level of expenditures and identify, evaluate and close a QT.

COVID-19

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as “COVID- 19”, was declared a global pandemic by the World Health Organization and governments worldwide have enacted emergency measures to combat the spread of the virus. These measures, which include public health measures to limit the time individuals spend in large crowds and crowded spaces, the implementation of travel bans, self-imposed quarantine periods and physical distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and 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 condition of the Company.