

**HOPEFIELD VENTURES TWO INC.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE PERIODS ENDED SEPTEMBER 30, 2024**

Report Date:
November 29, 2024

This Management Discussion and Analysis (“**MD&A**”) provides an analysis of the business of Hopefield Ventures Two Inc. (the “**Company**”) and its financial results for the three- and nine-month periods ended September 30, 2024. The following MD&A should be read in conjunction with the Company’s unaudited condensed interim consolidated financial statements and the notes thereto for the periods ended September 30, 2024 and 2023 and the company’s audited financial statements and the notes thereto for the year ended December 31, 2023 (the “**Financial Statements**”). This discussion is current as at this report date. The Financial Statements (and the financial information contained in the related MD&A) were prepared in accordance with International Financial Reporting Standards (“**IFRS**”) and all monetary amounts expressed in this MD&A and in the Financial Statements are expressed in Canadian dollars, unless otherwise stated. Such financial statements, MD&A and additional information about the Company are available on the Company’s SEDAR+ profile at www.sedarplus.ca.

Forward Looking Information

This MD&A includes "forward-looking information", within the meaning of applicable securities legislation, which are based on the opinions and estimates of management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. While this forward-looking information, and any assumptions upon which the information is based, is made in good faith, and reflect the Company’s current judgment regarding the direction of its business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein.

Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "budget", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar words suggesting future outcomes or statements regarding an outlook. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information. The forward-looking information includes but is not limited to statements concerning:

- The Company’s ability to identify, successfully negotiate and/or finance an acquisition of a new business opportunity;
- The Company’s success at completing future financings;
- The Company’s strategies and objectives;
- General business and economic conditions;
- The Company’s ability to meet its financial obligations as they become due;
- The positive cash flows and financial viability of new business opportunities;

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- The Company's ability to manage growth with respect to a new business opportunity; and
- The Company's tax position, anticipated tax refunds and the tax rates applicable to the Company.
- The Company's credit risk and exposure to credit losses with respect to its financial assets.

Readers are cautioned that the preceding list of risks, uncertainties, assumptions, and other factors are not exhaustive. Events or circumstances could cause actual results to differ materially from those estimated or projected and expressed in, or implied by the forward-looking information. Due to the risks, uncertainties, and assumptions inherent in forward-looking information, investors in securities of the Company should not place undue reliance on the forward-looking information.

Overall Performance

During the three-month period ended September 30, 2024, the Company recorded a net loss of \$84,601, compared to a net loss of \$45,208 in the comparable period of 2023. The 2024 loss included expected credit losses of \$65,000, professional fees of \$14,770, filing fees of \$1,081 and transfer agent fees of \$2,940. The expected credit losses of \$65,000 were recognized in relation to the Company's loan receivable from Predictive Technologies LLC ("Predictive"), after the Company terminated its proposed transaction with Predictive in June, 2024 and after Predictive failed to make loan payments which had been scheduled to commence during the period. Comparable period expenses in 2023 included \$42,585 in professional fees, related primarily to the now terminated transaction with Predictive.

During the three-month period ended September 30, 2024, the Company had a net cash outflow of \$127,193, compared with a net cash change of nil for the comparable period in 2023. There were no financing or investing activities for the three-month period ended September 30, 2024 or during the comparable period in 2023.

During the nine-month period ended September 30, 2024, the Company incurred a net loss of \$320,047, which included Professional fees of \$180,848, expected credit losses of \$115,000, filing fees of \$16,213 and transfer agent fees of \$7,158. Professional fees included legal fees of \$134,541 related to the Company's proposed transaction with Predictive.

During the comparable nine-month period in 2023, the Company's net loss totalled \$99,432, representing an increased loss of \$220,615 during the current period. Expenses during the comparable nine-month period included \$55,644 in professional fees, \$19,963 in filing fees, \$8,828 in transfer agent fees, share-based compensation of \$14,750 and expected credit losses of nil.

As at September 30, 2024, the Company had a working capital balance of \$661,609 (December 31, 2023 - \$1,016,656), including cash of \$710,649 (December 31, 2023 - \$1,030,805).

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Summary of Business and Discussion of Operations

The Company was incorporated pursuant to the provisions of the *Business Corporations Act* (British Columbia) on January 24, 2022. The Company is a capital pool company (“**CPC**”) as defined in Policy 2.4 of the TSX Venture Exchange (the “**Exchange**”). The Company has no commercial operations, revenue or profit and its purpose is to identify and evaluate potential acquisitions of operating businesses, and once identified and evaluated, to negotiate an acquisition of such a business, subject to receipt of regulatory approval.

On September 17, 2024, the Company announced that it had entered into a non-binding letter of intent (the “**LOI**”) dated September 16, 2024 to complete a business combination (the “**Transaction**”) with Carrier Connect Systems Ltd. (“**Carrier**”).

Carrier operates a Tier II/III data center located in downtown Vancouver, British Columbia, and specializes in delivering co-location and data center solutions to service providers, enterprises and small businesses. Data centers are the physical locations that store computing machines and their related hardware equipment, such as servers, data storage drives, and network equipment. As a carrier-neutral facility, Carrier’s systems are fully independent and owned outright within its leased space. The current principal market for Carrier is the Vancouver Metropolitan Area, where it serves clients who use its facility either as their primary datacenter or as an ancillary site depending on their needs.

Pursuant to the LOI, on October 23, 2024, the Company, Carrier and the shareholders of Carrier (the “**Vendors**”) entered into a definitive share purchase agreement (the “**Definitive Agreement**”), the completion of which will, subject to certain conditions and approval of the Exchange, constitute the Company’s Qualifying Transaction, as defined in the Exchange’s Policy 2.4.

The Definitive Agreement provides that the Company will acquire all the issued and outstanding common shares in the capital of Carrier (the “**Carrier Shares**”) from the Vendors in exchange for the issuance of an aggregate of 3,600,000 Resulting Issuer Shares (as defined below) to the Vendors and by causing Carrier to pay to certain creditors of Carrier an aggregate of \$100,000 (the “**Cash Consideration**”).

To give effect to the Transaction, the Company will effect a consolidation of its issued and outstanding common shares (the “**Company Shares**”) on the basis of one post-consolidated Company Share for each 2.98125 pre-consolidation Company Shares (the “**Consolidation**”), which will result in there being 6,000,000 post-Consolidation Company Shares issued and outstanding.

Upon the closing of the Transaction (the “**Closing**”), Carrier will be a wholly-owned subsidiary of the Company, and the Company (now, the “**Resulting Issuer**”) will carry on the business currently carried on by Carrier, and the Resulting Issuer will be a Tier 2 Technology Issuer under the policies of the Exchange. The Vendors will hold 3,600,000 Resulting Issuer Shares, representing approximately 37.5% of the outstanding Resulting Issuer Shares, and the current shareholders of HVII will hold 6,000,000 Resulting Issuer Shares, representing approximately

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62.5% of the outstanding Resulting Issuer Shares. Certain Resulting Issuer Shares will be subject to escrow in accordance with the rules of the TSX Venture Exchange.

Until completion of a Qualifying Transaction, the Company will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential Qualifying Transaction. Except as described in the Company's final prospectus dated December 22, 2022, the funds raised pursuant to the Company's initial public offering and any subsequent financing will be utilized only for the identification and evaluation of potential Qualifying Transactions (as defined in the policies of the Exchange) and not for any deposit, loan or direct investment in a potential acquisition.

The Financial Statements have been prepared on a going concern basis, meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. The continuing operations of the Company are dependent upon its ability to identify, evaluate, negotiate and complete a Qualifying Transaction, which is not assured. The accompanying Financial Statements do not reflect adjustments that may be necessary if the going concern assumption were not appropriate. If the going concern basis were not appropriate, adjustments may be necessary to the carrying amounts and/or classification of assets and/or liabilities and the reported expenses in these Financial Statements. Such adjustments could be material.

There is no assurance that the Company will complete its Transaction with Carrier, and if not, that the Company will identify an appropriate business or asset for acquisition or investment and even if so identified and warranted, it may not be able to finance such acquisition or investment. Additional funds may be required to enable the Company to pursue such an initiative and the Company may be unable to obtain such financing on terms which are satisfactory to it. Furthermore, there is no assurance that a business or asset acquired will be profitable.

Summary of Quarterly Results

Selected financial information for the eight most recently completed quarters is presented in the table below. The information has been derived from financial statements prepared in accordance with IFRS and all dollar amounts are reported in Canadian currency.

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	Quarter Ended Sep 30, 2024	Quarter Ended Jun 30, 2024	Quarter Ended Mar 31, 2024	Quarter Ended Dec 31, 2023	Quarter Ended Sep 30, 2023	Quarter Ended Jun 30, 2023	Quarter Ended Mar 31, 2023	Quarter Ended Dec 31, 2022
Revenue	Nil							
Net loss	\$84,601	\$139,179	\$96,267	\$43,478	\$45,208	\$22,500	\$31,724	\$16,738
Basic and diluted net loss per share	\$0.01	\$0.02	\$0.01	\$0.01	\$0.01	\$0.00	\$0.00	\$0.00
Share-based compensation	Nil	Nil	Nil	Nil	Nil	Nil	\$14,750	Nil
Professional fees	\$14,770	\$83,644	\$82,434	\$39,358	\$42,585	\$6,521	\$6,538	\$2,270
Filing fees	\$1,081	\$3,396	\$11,736	\$1,553	\$788	\$8,888	\$10,287	\$14,124
Expected credit losses	\$65,000	\$50,000	Nil	Nil	Nil	Nil	Nil	Nil
Financing costs incurred ⁽¹⁾	Nil	Nil	Nil	\$990	Nil	Nil	\$68,319 ⁽²⁾	\$18,196

(1) Includes costs charged to deferred financing costs and costs charged directly to common shares during applicable periods.

(2) Includes \$8,600 fair value of Agent's options granted.

The Company has had no revenue-generating operations since its date of incorporation.

Three Months Ended September 30, 2024

During the three-months ended September 30, 2024, the Company incurred a net loss of \$84,601, representing an 87% increase compared with a net loss of \$45,208 for the comparable period of the prior year. Compared to the previous quarter, ended June 30, 2024, the net loss of \$84,601 represented a 39% decrease from the prior quarter loss of \$139,179.

The increase in loss during the period versus the comparable period in 2023 was due in large part to the expected credit losses of \$65,000, versus nil in the comparable period in 2023, offset by professional fees of \$14,770 which represented a decrease of \$27,815, or a 65% decrease versus the comparable period in 2023. The professional fees incurred in 2023 were largely in connection with the Company's proposed Transaction with Predictive.

The decrease in loss of \$54,578 in the current period versus the previous quarter was due to a decrease of \$68,874 in professional fees, offset by an increase of \$15,000 in expected credit losses.

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Nine Months Ended September 30, 2024

During the nine months ended September 30, 2024, the Company incurred a net loss of \$320,047, representing a 222% increase compared with a net loss of \$99,432 for the comparable period of the prior year.

The major components of the \$220,615 increase in loss were increases of \$125,204 in professional fees and \$115,000 in expected credit losses, offset by a decreases of \$14,750 in share-based compensation and \$3,750 in filing fees.

Share Capital

Authorized

Unlimited number of Common Shares (as defined below) and preferred shares without par value.

Issued and Outstanding

As at September 30, 2024 and as at November 29, 2024, the Company has 17,887,500 common shares (the “**Common Shares**”) and 1,988,750 stock options (“**Options**”) issued and outstanding, of which 1,788,750 Options were granted to directors and officers of the Company pursuant to the Stock Option Plan (as defined below), and of which 200,000 Options were granted to the Company’s Agent as compensation pursuant to the IPO (as defined below).

Security	Number of Securities	Date of Issuance	Gross Proceeds \$ Amount
Common Shares	2,500,000	January 9, 2023	\$250,000
Stock Options	200,000	January 9, 2023	N/A ⁽¹⁾
Common Shares	700,000	March 24, 2022	\$35,000
Common Shares	5,987,500	February 24, 2022	\$598,750
Common Shares	1,000,000	February 16, 2022	\$50,000
Common Shares	7,700,000	February 9, 2022	\$385,000

(1) 200,000 Options were issued to the Agent (as defined below) pursuant to the January 9, 2023, IPO.

Stock Options

On January 27, 2022, the Company adopted a stock option plan (the “**Stock Option Plan**”) whereby it can grant incentive stock options to directors, officers, employees, and technical consultants of the Company. The maximum number of Common Shares that may be reserved for

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issuance under the Stock Option Plan is limited to 10% of the issued and outstanding Common Shares of the Company at any time. The vesting period for all Options is at the discretion of the Board of Directors. The exercise price will be set by the Board of Directors at the time of grant and cannot be less than the discounted market price (if any) of the Company's Common Shares.

The Stock Option Plan provides that the number of Common Shares that may be reserved for the issuance to any one individual upon exercise of all Options held by such an individual may not exceed 5% of the issued and outstanding Common Shares, if the individual is a director or officer, or 2% of the issued and outstanding Common Shares, if the individual is a consultant or engaged in providing investor relations services, on a yearly basis. All Options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such Options are granted.

On January 9, 2023, the Company granted a total of 250,000 Options to directors and officers of the Company, which vested immediately, having an exercise price of \$0.10 per Common Share. The fair value of the Options granted was determined to be \$14,750 using the Black-Scholes option pricing model under the following assumptions:

Common Share price	\$0.10
Exercise price	\$0.10
Expected dividend yield	Nil
Expected volatility	44%
Risk-free interest rate	3.08%
Expected option life	10 years
Fair value (per share) of options granted	\$0.059

A summary of the Company's outstanding Options issued pursuant to the Stock Option Plan as at the date of this MD&A is as follows:

Grant Date	Number of Options Outstanding	Exercise Price	Expiry Date	Remaining Contractual Life
January 9, 2023	250,000	\$0.10	January 9, 2033	8.1 years
February 28, 2022	598,750	\$0.10	February 28, 2032	7.3 years
February 10, 2022	940,000	\$0.05	February 10, 2032	7.2 years

Liquidity and Capital Resources

The Company manages its capital structure to maximize its financial flexibility. It may adjust the capital structure in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital, but rather relies on the expertise of the Company's

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management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. As at September 30, 2024, the Company is not subject to any externally imposed capital requirements or debt covenants. There were no changes to management's approach to capital management during the year.

On January 9, 2023, the Company completed its initial public offering ("IPO"), raising gross proceeds of \$250,000 pursuant to a prospectus dated December 22, 2022. An aggregate of 2,500,000 Common Shares were subscribed for at a price of \$0.10 per Common Share. Canaccord Genuity Corp. acted as the agent ("Agent") for the offering. The Company paid the Agent \$20,000 in Agent's commission, \$37,890 in fees and expenses and issued 200,000 Options exercisable at a price of \$0.10 per option until January 11, 2028.

As at September 30, 2024, the Company had a working capital balance of \$661,609 (December 31, 2023 - \$1,016,656), including cash of \$710,649 (December 31, 2023 - \$1,030,805), which amount is considered adequate to meet its requirements for the ensuing 12 months based on current budgeted expenditures for operations. A significant portion of working capital is held in cash, significantly reducing any liquidity risk of financial instruments held by the Company.

During the three-month period ended September 30, 2024, the Company had a net cash outflow of \$127,193, compared with no change in cash for the comparable period in 2023. The net cash outflow during the three-month period ended September 30, 2024 was related solely to operating activities.

During the nine-month period ended September 30, 2024, the company had a net cash outflow of \$320,156, compared with a net cash inflow of \$133,669 during the same period in 2023. Investing activities in 2024, consisting of a loan issued to Predictive, consumed cash of \$150,000 (2023 - nil) and operating activities used cash of \$170,156 (2023 - cash usage of \$56,612). There were no financing activities for the nine-month period ended September 30, 2024 (2023 - \$190,281 cash provided).

Capital Resources

The Company does not have any commitments for capital expenditures.

The Company is dependent on external financing, including equity issuances and debt financing, to fund its activities. Management of the Company will determine whether to accept any offer to finance weighing such things as the financing terms, share price at the time and current market conditions, among others. Circumstances that could impair the Company's ability to raise additional funds include general economic and capital market conditions.

On an ongoing basis, management evaluates and adjusts its planned level of activities, including planned and administrative costs, to maintain adequate levels of working capital.

Off-Balance Sheet Arrangements

The Company has not participated in any off-balance sheet arrangements.

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Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Other than as further described below, the Company has not entered into any related-party transactions.

During the three- and nine-month periods ended September 30, 2024, there were no related party transactions.

On January 9, 2023, the Company granted 250,000 Options to directors and officers of the Company with an estimated fair value of \$14,750.

Changes in Accounting Policies

The Company has adopted accounting policies stated in the audited Financial Statements for the year ended December 31, 2023.

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2024. These changes were assessed to not have a material impact on the Company's consolidated financial statements.

IAS 1 – *Presentation of Financial Statements* (“**IAS 1**”) was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2024 and have been adopted by the Company.

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2025. Many are not applicable or do not have a significant impact on the Company and have been excluded.

Financial Instruments

Fair Value Measurements

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either

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directly or indirectly, and

- Level 3 – Inputs that are not based on observable market date.

As at September 30, 2024, the Company's financial instruments consisted of cash, loan receivable, a note receivable and accounts payable and accrued liabilities. The fair values of the Company's financial instruments, except for the loan receivable, approximate their carrying value, due to their short-term maturities or liquidity. As at September 30, 2024, the Company's risk exposure and the impact on the Company's financial instruments are summarized below:

Credit Risk

Credit risk is the risk of a financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Company's exposure to credit risk includes its cash. The Company manages credit risk, in respect of cash, by placing its cash with a major Canadian financial institution in accordance with the Company's investment policy. Concentration of credit risk exists with respect to the Company's cash as all amounts are held at a single major Canadian financial institution.

The company is also exposed to credit risk on its loan receivable and on its note receivable. Both instruments are receivable from Predictive. Management actively monitors and assesses its exposure to credit risk in relation to these instruments and during the three-month period ended September 30, 2024, an expected credit loss of \$65,000 was recognized.

The maximum exposure to credit risk is equal to the carrying value of the financial assets.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in obtaining funds to meet commitments. The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. All of the Company's financial liabilities are due within the next operating period. As at September 30, 2024, the Company had a working capital balance of \$661,609, including cash of \$710,649.

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 three types of risk: interest rate risk, foreign currency risk and commodity price risk, of which the Company is exposed foreign currency risk and interest rate risk, as follows:

Foreign Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. As at September 30, 2024, the company had no US dollar assets or liabilities and thus had no exposure to foreign currency translation risk.

Interest Rate Risk

Some of the Company's accounts payable and accrued liabilities trade payables may be subject to interest on unpaid balances.

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Price Risk

Price risk refers to risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on earnings due to movements in individual equity prices or general movements in the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatility. Future declines in commodity prices may impact the valuation of long-lived assets. The Company does not currently hold equities or long-lived assets and as such, its earnings are not currently subject to price risk.

Critical Accounting Estimates

The preparation of the Financial Statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial year included:

Stock Options

Determining the fair value of stock options requires estimates related to the choice of a pricing model, the estimation of stock price volatility, the expected forfeiture rate, and the expected term of the underlying instruments. Any changes in the estimates or inputs utilized to determine fair value could have a significant impact on the Company's future operating results or on other components of shareholders' equity.

Recoverability of loan and note receivable

The expected credit loss allowance for the loan receivable is based on management's assumptions about Predictive's risk of default as the counterparty to this instrument. The Company uses judgment in making these assumptions, based on existing market conditions as well as forward-looking estimates at the end of each reporting period.

Income, value added, withholding and other taxes

The Company is subject to income, value added and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.