

**FEMTO TECHNOLOGIES INC.**  
**INFORMATION CIRCULAR**

This information is given as of May 4, 2026, unless otherwise stated.

This information circular is furnished in connection with the solicitation of proxies by the management of Femto Technologies Inc. (the “**Company**”) for use at the annual general meeting (the “**Meeting**”) of the shareholders of the Company, to be held at the time and place and for the purposes set forth in the accompanying notice of meeting and at any adjournment thereof.

**PERSONS OR COMPANIES MAKING THE SOLICITATION**

**The enclosed instrument of proxy is solicited by management.** Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse shareholders’ nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining from their principals authorization to execute forms of proxy. The cost of solicitation will be borne by the Company. None of the directors of the Company have advised that they intend to oppose any action intended to be taken by management as set forth in this information circular.

**NOTICE-AND-ACCESS PROCESS**

The Company is using the notice-and-access provisions (“**Notice-and-Access**”) under National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) for the delivery of the Meeting Materials (as defined herein) to its shareholders for the Meeting. The Company has adopted this process to further its commitment to environmental sustainability and to reduce its printing and mailing costs.

Under Notice-and-Access, instead of receiving printed copies of the Meeting Materials, the Meeting Materials will be delivered by posting them on the Company’s website at <https://femtocorp.com/#ir>. The Meeting Materials will be available on the Company’s website for one year and will also be available under the Company’s profile on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Shareholders will receive a notice (“**Notice-and-Access Notification**”) with information on how they may access the Meeting Materials electronically or request a paper copy of same. The Company will arrange to mail paper copies of the Meeting Materials to those registered and beneficial shareholders who have existing instructions on their account to receive paper copies of the Company’s proxy related materials.

Shareholders who receive a Notice-and-Access Notification can request that printed copies of the Meeting Materials be sent to them by postal delivery at no cost to them up to one year from the date of the filing of the Meeting Materials on the Company’s profile on SEDAR+. Shareholders with questions about Notice-and-Access, or who would like to request printed copies of the Meeting Materials, should contact the Company by email to [gabi@femtocorp.com](mailto:gabi@femtocorp.com) or by calling Computershare Investor Services Inc., as follows:

<b>For registered Shareholders (with a 15-digit control number):</b>	<b>For NOBOs (as defined below) (with a 16-digit control number):</b>
Toll-free, within North America: 1-866-962-0498 Outside North America: 514-982-8716	Toll-free, within North America: 1-800-663-0955 (ext. 4587) Outside North America: 604-524-3744

To receive paper copies of the Meeting Materials in advance of the proxy deposit deadline, requests for same should be made no later than 4:00 p.m. (Pacific Time) on June 5, 2026.

## APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying instrument of proxy are directors or officers of the Company. **A shareholder has the right to appoint a person in place of the persons named in the enclosed instrument of proxy to attend and act for and on behalf of the shareholder at the Meeting. To exercise this right, a registered shareholder shall strike out the names of the persons named in the instrument of proxy and insert the name of their nominee in the blank space provided, or complete another instrument of proxy. The completed instrument of proxy should be deposited with the Company's registrar and transfer agent, Computershare Investor Services Inc. at 320 Bay Street, 14<sup>th</sup> Floor, Toronto, Ontario M5H 4A6 at least 48 hours before the time of the Meeting or any adjournment thereof, excluding Saturdays, Sundays and holidays.**

The instrument of proxy must be dated and be signed by the registered shareholder or by their attorney in writing, or, if the shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

**In addition to revocation in any other manner permitted by law, a registered shareholder may revoke a proxy either by (a) signing a proxy bearing a later date and depositing it at the place and within the time aforesaid, or (b) signing and dating a written notice of revocation (in the same manner as the instrument of proxy is required to be executed as set out in the notes to the instrument of proxy) and either depositing it at the place and within the time aforesaid or with the chair of the Meeting prior to the commencement of the Meeting or any adjournment thereof, or (c) registering with the scrutineer at the Meeting as a shareholder present in person, whereupon such proxy shall be deemed to have been revoked.**

**Only registered shareholders have the right to revoke a proxy.** A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

## VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES

On any poll, the persons named in the enclosed instrument of proxy will vote the shares in respect of which they are appointed and, where directions are given by the shareholder in respect of voting for or against any resolution, will do so in accordance with such direction.

**In the absence of any direction in the instrument of proxy, it is intended that such shares will be voted in favour of the motions proposed to be made at the Meeting as stated under the headings in this information circular.** The instrument of proxy enclosed, when properly signed, confers discretionary authority with respect to amendments or variations to any matters which may properly be brought before the Meeting. The enclosed instrument of proxy does not confer authority to vote for the election of any person as a director of the Company other than for those persons named in this information circular. At the time of printing of this information circular, management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any other matters which are not now known to the management should properly come before the Meeting, the proxies hereby solicited will be voted on such matters in accordance with the best judgment of the named proxyholder.

## NON-REGISTERED HOLDERS

The record date for determination of the holders of subordinate voting shares of the Company entitled to receive notice of, and to vote at, the Meeting is May 4, 2026 (the “**Record Date**”). Only shareholders whose names have been entered in the register of subordinate voting shareholders at the close of business on the Record Date (“**Registered Shareholders**”) will be entitled to receive notice of, and to vote at, the Meeting.

**Only Registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” shareholders because the subordinate voting shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the subordinate voting shares.** More particularly, a person is not a Registered Shareholder in respect of subordinate voting shares which are held on behalf of that person (the “**Non-Registered Holder**”) but which are registered either: (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the subordinate voting shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, TFSA and similar plans); or (b) in the name of a clearing agency of which the Intermediary is a participant. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration for the Canadian Depository for Securities, which company acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many United States brokerage firms and custodian banks).

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as “**NOBOs**”. Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as “**OBOs**”. In accordance with the requirements of NI 54-101, the Company has elected to send the notice of meeting, this information circular and the proxy (collectively, the “**Meeting Materials**”) directly to the NOBOs, and indirectly through Intermediaries to the OBOs. The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to each OBO, unless the OBO has waived the right to receive them. The Company does not intend to pay for an Intermediary to deliver Meeting Materials to OBOs. Accordingly, OBOs will not receive the Meeting Materials unless their Intermediary assumes the costs of delivery. The Company is relying on Notice-and-Access to send the Meeting Materials to Registered and Non-Registered Shareholders in connection with the Meeting.

Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a voting instruction form **which is not signed by the Intermediary** and which, when properly completed and signed by the Non-Registered Holder and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a “**voting instruction form**”) which the Intermediary must follow. Typically, the voting instruction form will consist of a one-page pre-printed form. Sometimes, instead of the one-page pre-printed form, the voting instruction form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label with a bar-code and other information. In order for the form of proxy to validly constitute a voting instruction form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company; or
- (b) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of subordinate voting shares beneficially owned by the Non-Registered Holder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should properly complete the form of proxy and deposit it with Computershare Investor Services Inc. at 320 Bay Street, 14<sup>th</sup> Floor, Toronto, Ontario M5H 4A6 not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of holding the Meeting or adjournment thereof.

In either case, the purpose of these procedures is to permit Non-Registered Holders to direct the voting of the subordinate voting shares they beneficially own. Should a Non-Registered Holder who receives either a voting instruction form or a form of proxy wish to attend the Meeting and vote in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the form of proxy and insert the Non-Registered Holder's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the directions indicated on the form. **In either case, Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies, including those regarding when and where the voting instruction form or the proxy is to be delivered.**

The Meeting Materials are being sent to both Registered Shareholders and Non-Registered Holders. If you are a Non-Registered Holder, and the Company or its agent has sent the Meeting Materials directly to you, your name and address and information about your holding of subordinate voting shares of the Company have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

By choosing to send the Meeting Materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering the Meeting Materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the voting instruction form.

All references to shareholders in the Meeting Materials are to Registered Shareholders unless specifically stated otherwise.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The Company is authorized to issue an unlimited number of common shares (the "**Subordinate Voting Shares**") without par value and up to 75,000 enhanced voting preference shares without par value (the "**Enhanced Voting Shares**"). At the close of business on May 4, 2026, 1,037,774 Subordinate Voting Shares, each share carrying the right to one vote, and 8,564 Enhanced Voting Shares, each carrying the right to 50 votes, were issued and outstanding. At a meeting of shareholders of the Company, on a show of hands, every shareholder present in person shall have one vote and, on a poll, every shareholder shall have one vote for each Subordinate Voting Share held.

Only shareholders of record at the close of business on May 4, 2026 who either personally attend the Meeting or who complete and deliver an instrument of proxy in the manner and subject to the provisions set out under the heading "Appointment and Revocation of Proxies" will be entitled to have their Shares voted at the Meeting or any adjournment thereof.

Pursuant to the articles of the Company, the Enhanced Voting Shares are non-transferable. As a result, it is not expected that a take-over bid (as defined in National Instrument 62-104 *Take-Over Bids and Issuer Bids*) could be made for, or completed in respect of, the Enhanced Voting Shares. The Company has not adopted any mechanisms that would provide holders of Shares with a right to participate in any take-over bid made for the Enhanced Voting Shares of the Company. **Accordingly, holders of Shares have no right to participate if a take-over bid is made for the outstanding Enhanced Voting Shares of the Company.**

To the knowledge of the directors and executive officers of the Company, the following shareholders beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying 10% or more of the outstanding voting rights of the Company:

Name of Shareholder	Number and Class of Shares Owned and Percentage of Class	Percentage of Voting Rights of Outstanding Shares <sup>(1)</sup>
Yftah Ben Yaackov	70,219 Subordinate Voting Shares (6.77%) 8,564 Enhanced Voting Shares (100%)	34.00%
Batya Ben Yaackov	169,811 Subordinate Voting Shares (16.36%)	11.58%

**Notes:**

- (1) Based on 1,037,774 Subordinate Voting Shares and 8,564 Enhanced Voting Shares issued and outstanding as of the date of this information circular.

**INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

Other than as disclosed elsewhere in this information circular and other than the election of directors or the appointment of auditors, to the knowledge of management of the Company, none of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

For the purposes of this information circular, “informed person” means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company, or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company, other than voting securities held by the person or company as underwriter in the course of a distribution; and
- (d) the Company if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

Except as disclosed below, no informed person, no proposed director of the Company and no associate or affiliate of any such informed person or proposed director has or has had any material interest, direct or indirect, in any transaction undertaken by the Company since the commencement of its last completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries except as otherwise set out in this information circular.

On March 30, 2026, the Company completed its purchase (the “**Closing**”) of a 40% equity interest in Gilad R.G. Planning and Implementation of Technologies and Software 2025 Ltd. (“**Gilad**”) pursuant to a share purchase agreement with Gilad and its sole shareholder, Batya Ben Yaackov of Vradim st. 72/2 Ashkelon, Isreal (the “**Vendor**”), dated March 27, 2026 (the “**Agreement**”). Gilad is an Israeli software company focused on the development and sales of AI driven research and data analysis solutions. Its flagship product, i-RAT (Interactive Researcher Assistant Tool) (the “**Product**”), is an AI-powered SaaS platform designed to guide users across the full lifecycle of quantitative research, integrating statistical learning, hypothesis formulation, data analysis, and automated results reporting into a single, coherent environment. The co-developer of the Product holds a royalty interest of 10% of net profits received from sales of the Product.

Pursuant to the Agreement, the Company purchased:

1. from Gilad, 43 previously unissued common shares of Gilad (the “**Gilad Shares**”) for a total purchase price of US\$1,000,000 which is required to be used to complete development and sales in accordance with a budget to be approved by the parties, to be paid in four equal quarterly instalments of US\$250,000 with the first payment made at the closing of the Closing; and
2. from the Vendor, 14 Gilad Shares (the “**Vendor Shares**”) in consideration for:
  - a. the payment to the Vendor of the sum of US\$250,000; and
  - b. the issuance to the Vendor of 169,811 Subordinate Voting Shares (the “**Payment Shares**”) at a deemed price of US\$0.589 per Subordinate Voting Share.

The Vendor, as the founder of Gilad, acquired the Vendor Shares within the two years preceding the Closing for an aggregate acquisition cost of 14 Israeli New Shekels (approximately CAD\$6.00).

If Gilad achieves, within 24 months following the Closing, revenues of at least US\$4,200,000 from bona fide sales of the Product to parties at arm’s length to Gilad and the Vendor, the Company is required to make an additional payment to Gilad in the amount of US\$1,680,000.

Pursuant to the Agreement, the Company has the option (the “**Option**”), exercisable at any time during the 24 months after the Closing, to acquire such additional number of Gilad Shares from the Vendor (the “**Option Shares**”) as will result in the Company holding, in aggregate, 51% of the outstanding Gilad Shares immediately following such acquisition. The purchase price for the Option Shares will be an amount equal to the fair market value of the Gilad Shares on a pre-transaction basis as at the date of exercise of the Option, as determined by an independent valuator.

The Company is entitled to nominate one individual for election or appointment to Gilad’s board of directors at this time and a second individual if the Option is exercised.

As a result of the issuance by the Company of the Payment Shares pursuant to the Agreement, the Vendor acquired voting securities of the Company carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company.

### **STATEMENT OF EXECUTIVE COMPENSATION**

In this section, “named executive officer” (an “**NEO**”) means any individual who, during the Company’s most recently completed financial year ended December 31, 2025 (“**Fiscal 2025**”), was:

- (a) the chief executive officer (or an individual who acted in a similar capacity) of the Company (the “**CEO**”);
- (b) the chief financial officer (or an individual who acted in a similar capacity) of the Company (the “**CFO**”);
- (c) each of the three other most highly compensated executive officers of the Company or any of its subsidiaries or the three most highly compensated individuals acting in a similar capacity (except those whose total salary and bonus does not exceed \$150,000); and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

During Fiscal 2025, the Company had five NEOs, namely Yftah Ben Yaackov (CEO), Gabi Kabazo (CFO and corporate secretary), Stefania Szabo (President), Moti Maram (Former President) and Avner Tal (chief technology officer (“CTO”) and vice-president sales and marketing).

*All dollar amounts referenced herein are in Canadian dollars unless otherwise specified.*

## **Compensation Discussion & Analysis**

### **Overview**

This section explains how the Company’s executive and director compensation programs are designed and operated with respect to all of the Company’s executive officers (including NEOs) and directors, respectively. This section also identifies the objectives and material elements of compensation awarded to the executives (including NEOs) and directors and the reasons for the compensation. For a complete understanding of the Company’s compensation programs, this compensation discussion and analysis should be read in conjunction with the summary compensation table and other compensation-related disclosure included in this tatement of Executive Compensation.

The mandate of the Governance, Nominating and Compensation Committee of the Company’s Board (the “**GNC Committee**”) is to determine compensation for the Company’s executive officers relative to the performance of the Company in executing on its objectives. Executive officers receive both fixed compensation and performance-based variable incentive compensation, which together represents the executive’s total direct compensation. To attract and retain top talent, fixed compensation is generally targeted at levels comparable to market peers and performance recognition occurs through the delivery of variable short and longer-term incentive compensation.

The GNC Committee when determining compensation has looked at companies in these three sectors that have overlap with the Company’s activities:

- Small Cap Pharma and Health Sciences Companies such as: Microbix, Medicenna, Repare Therapeutics and others.
- Cannabis Companies such as: Ayr, Cresco, IMCC and others
- Small Cap Tech Companies such as: CTS Technologies, Terago, Sangoma Tech and others.

### ***Composition of the GNC Committee***

The GNC Committee consists of three independent directors:

- Stefania Szabo (Chair)
- Carmel Zigdon
- Mor Bizizinsky

### ***Philosophy & Objectives***

The Board generally discusses and determines management compensation, without reference to formal objectives, criteria or analysis. The Company’s GNC Committee facilitates the process and makes recommendations to the Board. The general objectives of the Company’s compensation strategy are to:

- (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value;
- (b) align management’s interests with the long-term interests of Shareholders; and

- (c) ensure that the total compensation package is designed in a manner that takes into account the constraints that the Company is under by virtue of the fact that it is a junior mineral exploration company without a history of earnings.

The GNC Committee recommends levels of executive compensation that are competitive, motivating and commensurate with the time spent by executive officers in meeting their obligations. While the current Board members do not have direct formal experience related to executive compensation, the Board relies on their experience gained as officers and directors, both of the Company and of other companies.

The Board has adopted a compensation scheme for non-executive directors that pays them a fixed amount for each fiscal quarter served (or portion thereof). In addition, the chair of the Board and the chair of the Audit Committee each receive an additional fixed quarterly amount for acting as chair. With any required approval of the Exchange (as defined herein), up to one half of all fees are payable in Subordinate Voting Shares, with the remainder payable in cash. In addition, Directors are reimbursed for travel and other expenses incurred in attending meetings and the performance of their duties.

The Board considers option grants to directors at the time a director joins the board and annually. Option grants to directors are intended as a long-term incentive.

### ***Elements of Compensation***

*Base Salary/Consulting Fees* - The Board believes that a competitive base salary/consulting fee is a necessary element of any compensation program that is designed to attract and retain talented and experienced executives. The Board also believes that attractive base salaries/consulting fees can motivate and reward executives for their overall performance. To the extent that the Company has entered into employment or consulting agreements with its executives, the base salaries/consulting fees payable to such individuals reflect the base salaries/consulting fees that the Company negotiated with them. The base salaries/consulting fees that the Company negotiated with its executives were based on the individual experience and skills of, and expected contribution from, each executive, the roles and responsibilities of the executive, the base salaries/consulting fees of the Company's existing executives and other factors.

*Option Based Awards* - The Company currently has in place an amended and restated 30% rolling stock option plan (the “**Stock Option Plan**”) in order to provide effective incentives to directors, officers, senior management personnel and consultants of the Company and to enable the Company to attract and retain experienced and qualified individuals in those positions by permitting such individuals to directly participate in an increase in per share value created for the Company’s Shareholders. In determining option grants to the NEO’s, the GNC Committee together with management takes into consideration factors that include the amount and exercise price of previous option grants, other forms and amounts of compensation, the NEOs experience, level of expertise and responsibilities, and the contributions of each NEO towards the completion of corporate transactions in any given fiscal year. The Stock Option Plan was previously approved by the shareholders of the Company at the annual general meeting of the Shareholders held on February 27, 2024.

Capitalized terms used in this section which are not defined herein shall have the meanings ascribed to such terms in the Stock Option Plan. The material terms of the Stock Option Plan are as follows:

- (a) The Board may, in its discretion, select any of the following persons (each person so selected, a “**Participant**”) to participate in the Stock Option Plan:
  - (i) directors of the Company or any of its subsidiaries (or, in the case of an Israeli Participant, their trustees);
  - (ii) officers of the Company or any of its subsidiaries (or, in the case of an Israeli Participant, their trustees);

- (iii) employees of the Company or any of its subsidiaries (or, in the case of an Israeli Participant, their trustees); and
  - (iv) consultants retained by the Company or any of its subsidiaries (or, in the case of an Israeli Participant, their trustees), provided such consultants have performed and/or continue to perform services for the Company or any of its subsidiaries on an ongoing basis or are expected to provide a service of value to the Corporation or any of its subsidiaries.
- (b) The aggregate number of Subordinate Voting Shares reserved for issuance under the Stock Option Plan, or any other security-based compensation plan of the Company, shall not exceed 30% of the total number of issued and outstanding Subordinate Voting Shares as at the date of grant of any stock option under the Stock Option Plan.
- (c) The number of Subordinate Voting Shares that may be acquired under an Option granted to a Participant shall be determined by the Board at the time the Option is granted, provided that:
- (i) the aggregate number of Subordinate Voting Shares reserved for issuance to any one Participant shall not exceed five percent of the total number of issued and outstanding Subordinate Voting Shares in any 12 month period, unless the Company receives the permission of the Exchange (as defined below);
  - (ii) the number of Options granted to any one consultant in a 12 month period shall not exceed 2% of the total number of issued and outstanding Subordinate Voting Shares;
  - (iii) the aggregate number of Options granted to persons employed to provide investor relations activities shall not exceed 2% of the total number of issued and outstanding Subordinate Voting Shares in any 12 month period; and
  - (iv) the Company shall require disinterested shareholder approval for grants of Options to insiders of a number of Options exceeding 10% of the issued Subordinate Voting Shares within any 12 month period.
- (d) The Board shall, at the time an Option is granted, fix the exercise price at which Subordinate Voting Shares may be acquired upon exercise of such Option provided that such exercise price shall not be less than that from time to time permitted under the rules of the Exchange. Disinterested shareholder approval shall be obtained by the Company prior to any reduction to the exercise price if the affected Participant is an insider of the Company.
- (e) The Board shall determine, at the time an Option is granted, the period during which the Option may be exercised (the “**Option Period**”), subject to any vesting limitations which may be imposed by the Board in its sole discretion at the time of grant of the Option, provided that:
- (i) no Option shall be exercisable for a period exceeding ten years from the date the Option is granted;
  - (ii) no Option in respect of which shareholder approval is required under the rules of the Exchange shall be exercisable until such time as the Option has been approved by the shareholders of the Company;
  - (iii) the Board may, subject to the receipt of any necessary regulatory approvals, in its sole discretion, accelerate the time at which any Option may be exercised, in whole or in part; and

- (iv) any Options granted to any Participant must expire within 90 days after the Participant ceases to be a Participant, and within 30 days for any Participant engaged in investor relation activities after such Participant ceases to be employed to provide investor relation activities.
- (f) The Company may, but shall not be obligated to, offer a Participant the right (the “**Cashless Exercise Right**”), in lieu of the right to in lieu of receiving the number of Subordinate Voting Shares to which such Option relates, to receive the number of Subordinate Voting Shares, disregarding fractions, which is equal to the quotient obtained by:
  - (i) subtracting the exercise price per Share under such Option from the volume weighted average price per Share and multiplying the difference by the number of Subordinate Voting Shares that could have been purchased under such terminated Option; and
  - (ii) dividing the product obtained under paragraph (i) by the volume weighted average price per Share.
- (g) If any Participant ceases to hold the position of director, officer, employee or consultant of the Company or any of its subsidiaries for any reason other than death, the Participant’s options will terminate at 4:00 p.m. on the earlier of the date of expiration of the Option Period and 60 days after the date such Participant ceases to hold such position and ceases to actively perform services for the Company or any of its subsidiaries. An Option granted to a Participant who performs investor relations services on behalf of the Company of any of its subsidiaries shall terminate on the date of termination of the employment or cessation of services being provided. In the event of death of a Participant, any Option granted to such Participant shall be exercisable until the earlier of the end of the Option Period or until the expiration of 12 months after the date of death of such Participant.

*Restricted Share Units* – The Company currently has in place an amended and restated restricted share unit plan (the “**RSU Plan**”) in order to provide effective incentives to directors, officers, senior management personnel and consultants of the Company and to enable the Company to attract and retain experienced and qualified individuals in those positions, by permitting such individuals to directly participate in an increase in per share value created for the Company’s Shareholders. In determining grants of restricted share units to the NEO’s, the GNC Committee together with management will take into consideration factors that include the amount of previous restricted share unit grants, other forms and amounts of compensation, the NEOs experience, level of expertise and responsibilities, and the contributions of each NEO towards the completion of corporate transactions in any given fiscal year. The terms and conditions of the Company’s restricted share units were approved in a shareholders meeting that took place on February 27, 2024.

Capitalized terms used in this section which are not defined herein shall have the meanings ascribed to such terms in the RSU Plan. The material terms of the RSU Plan are as follows:

- (a) Restricted Share Units may only be granted to a Person who is a Director or Employee of the Company or an Affiliate of the Company, any Consultant and any Permitted Assign, other than a Person involved in Investor Relations Activities relating to the Company.
- (b) Subject to adjustment pursuant to the terms of the RSU Plan, the maximum aggregate number of Subordinate Voting Shares that may be reserved for issuance at any given time in connection with restricted share units issued under the RSU Plan shall not exceed 12,000,000 Subordinate Voting Shares.
- (c) The terms of each Restricted Share Unit shall be for such period as may be determined by the Granting Authority, provided that in no event shall the term of any Restricted Share Unit exceed a period of ten years (or such shorter term as may be required so that such Restricted Share Unit does not constitute a “salary deferral arrangement” as defined in subsection 248(1) of the *Income Tax Act* (Canada).

- (d) Restricted Share Units shall become Vested at such time, in such instalments and subject to such terms and conditions as may be determined by the Granting Authority in accordance with the RSU Plan. Vesting of a Restricted Share Unit, or any portion thereof, may be conditioned upon the passage of time, continued employment, satisfaction of Performance Criteria, or any combination thereof, as determined by the Granting Authority.
- (e) Unless otherwise determined by the Granting Authority, Restricted Share Units shall settle upon or as soon as reasonably practicable after the Vesting thereof, subject to payment or other satisfaction of all related withholding obligations in accordance with the RSU Plan.
- (f) Unless otherwise determined by the Granting Authority, where a Participant is terminated for cause, has voluntarily terminated his/her employment or service with the Company, or, in the case of a director of the Company, is otherwise removed as a result of losing his/her eligibility to serve on the Board due to an order by a regulatory body or stock exchange or for culpable conduct as determined by the Granting Authority, all unvested Restricted Share Units as at the date of such termination or cessation of service shall be immediately cancelled without liability or compensation therefor. Further, unless otherwise determined by the Granting Authority, where a Participant dies or is terminated for any other reason, all unvested Restricted Share Units at the time of death or termination shall be cancelled without liability or compensation therefor 90 days following such date.

*Cash Bonuses* – While the Company does not generally award cash bonuses, the GNC Committee, together with recommendations from management, may award bonuses based on both individual performance and corporate success at various times throughout the year. At this time, the Company does not have any specific milestone criteria for issuing bonuses.

*Pension Plan Benefits* – No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.

The Board does not determine executive compensation based on the Company's share price performance. Overall, the salaries or consulting fees payable to the NEOs have remained consistent with prior years. The Board has considered the implications of the risks associated with the Company's compensation practices. The Board acknowledges that the Company, as a micro-cap company, does not presently generate significant revenues, and that all management compensation to date has been derived solely from cash in the Company's treasury, acquired by way of equity financings to date, and the grant of incentive stock options to directors, management, contractors and employees.

Salary and consulting fee compensation to the NEOs are generally provided for under written consulting or employment agreements with the NEOs or management companies under their control. Upon the occurrence of certain events, the Company's early termination of these contracts may also trigger additional balloon payments, which could adversely impact the Company's working capital. Further information can be found under the heading "*Termination and Change of Control Benefits*".

### ***Option and RSU Based Awards***

The Company has no long-term incentive plans other than the Stock Option Plan and the RSU Plan. The Company's directors, employees, officers and certain consultants are eligible to participate in the Stock Option Plan and RSU Plan are each designed to encourage Share ownership and entrepreneurship on the part of the senior management and other employees. The Board believes that the Stock Option Plan and RSU Plan align the interests of the NEOs and the Board with Shareholders by linking a component of executive compensation to the longer-term performance of the Company's Subordinate Voting Shares.

### ***Stock Option and Restricted Share Unit Granting Process***

Generally, stock option grants are (and in the case of restricted share unit grants, will be) determined annually. The CEO makes (and in the case of restricted share unit grants, will make) recommendations to the GNC Committee regarding individual stock option or restricted share unit awards, for all recipients. The GNC Committee reviews (or in the case of restricted share unit grants, will review) the appropriateness of the stock option or restricted share unit grant recommendations from the CEO for all eligible employees and contractors where appropriate and may accept or adjust these recommendations. The Board is ultimately responsible for approving all individual stock option and restricted share unit grants including grants to officers, including grants that are awarded outside the annual compensation deliberation process for such things as promotions or new hires.

### ***Plan Amendments***

The Board will have the authority to discontinue the Stock Option Plan or the RSU Plan at any time without shareholder approval. The Board may also make certain amendments to the Stock Option Plan or the RSU Plan without shareholder approval, including changes regarding the vesting and expiry of an outstanding stock option provided that the change does not entail an extension beyond the original expiry date of such options. No amendments can be made to the Stock Option Plan or RSU Plan that adversely affect the rights of any option or restricted share unit holder regarding any previously granted options or restricted share units without the consent of the holder. The Stock Option Plan and RSU Plan each also provide that certain amendments be approved by the Shareholders as may be required by the rules of the stock exchange where the Subordinate Voting Shares are listed for trading as at the relevant time (the “**Exchange**”).

### **Director and Named Executive Officer Compensation**

The following table (presented in accordance with Form 51-102F6V), is a summary compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, to the directors and NEOs for each of the Company’s two most recently completed financial years:

#### **Summary Compensation Table Excluding Compensation Securities**

<b>Name and Principal Position</b>	<b>Year</b>	<b>Salary, consulting fee, retainer or commission (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or meeting fees (\$)</b>	<b>Value of perquisites (\$)</b>	<b>Value of all other compensation (\$)</b>	<b>Total compensation (\$)</b>
Yftah Ben Yaackov <sup>(1)</sup> CEO and director	2025	901,022	349,450	-	-	-	1,250,472
	2024	675,320	359,725	-	-	-	1,035,045
Avner Tal <sup>(2)</sup> CTO and former director	2025	232,936	-	-	-	-	232,936
	2024	309,197	-	-	-	-	309,197
Gabi Kabazo <sup>(3)</sup> CFO and director	2025	380,930	139,780	-	-	-	520,710
	2024	346,301	67,910	-	-	-	414,211
Stefania Szabo <sup>(4)</sup> President and director	2025	116,235	-	-	-	-	116,235
	2024	92,121	-	-	-	-	92,121
Marcel (Moti) Maram <sup>(5)</sup> Former president and former director	2025	208,065	-	-	-	-	208,065
	2024	161,995	-	-	-	-	161,995

Name and Principal Position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Carmel Zigdon Director	2025	212,074	-	-	-	-	212,074
	2024	164,510	-	-	-	-	164,510
Mor Bzizinky <sup>(6)</sup> Director	2025	-	-	-	-	-	-
	2024	-	-	-	-	-	-
Niv Shirazi <sup>(7)</sup> Former director	2025	18,532	-	-	-	-	18,532
	2024	10,996	-	-	-	-	10,996
Harold Wolkin <sup>(8)</sup> Former director	2025	130,130	-	-	-	-	130,130
	2024	111,916	-	-	-	-	111,916

**Notes:**

- (1) All of the compensation received by Mr. Ben Yaackov was received in consideration for him serving as an NEO.
- (2) Avner Tal retired as a director of the Company on April 2, 2025. Mr. Tal continues to serve as the Company's chief technology officer and VP sales and marketing. All of the compensation received by Mr. Tal was received in consideration for him serving as an NEO.
- (3) Fees were paid to Miga Consulting Ltd., a company controlled by Mr. Kabazo pursuant to the Miga Agreement (as defined below).
- (4) Stefania Szabo was appointed as president of the Company on April 2, 2025. All of the compensation received by Ms. Szabo was received in consideration for her serving as a director of the Company.
- (5) Moti Maram retired as president and a director of the Company on April 2, 2025. All of the compensation received by Mr. Maram was received in consideration for him serving as an NEO.
- (6) Mor Bzizinsky retired as a director of the Company on April 2, 2025 and was re-appointed a director of the Company on September 29, 2025.
- (7) Niv Shirazi retired as a director of the Company on April 2, 2025.
- (8) Harold Wolkin passed away on August 25, 2025.

**Stock Options and Other Compensation Securities**

The following table sets forth details of all awards granted or issued to each director and NEO by the Company or one of its subsidiaries during Fiscal 2025 for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(1)(2)(3)</sup>	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Yftah Ben Yaackov CEO and director	Restricted share units	70,073 (8.14%)	April 23, 2025	N/A	\$9.36	\$0.34	April 23, 2026
Avner Tal CTO and former director	Restricted share units	10,000 (1.16%)	April 25, 2025	N/A	\$9.77	\$0.34	April 25, 2026
Gabi Kabazo CFO and director	Restricted share units	30,000 (3.48%) 20,000 (2.32%)	February 7, 2025 April 25, 2025	N/A	\$4.75 \$9.77	\$0.34	February 7, 2026 April 25, 2026

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class <sup>(1)(2)(3)</sup>	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Stefania Szabo President and director	Restricted share units	30,000 (3.48%) 10,000 (1.16%)	February 7, 2025 April 25, 2025	N/A	\$4.75 \$9.77	\$0.34	February 7, 2026 April 25, 2026
Marcel (Moti) Maram Former president and former director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Carmel Zigdon Director	Restricted share units	30,000 (3.48%) 20,000 (2.32%)	February 7, 2025 April 25, 2025	N/A	\$4.75 \$9.77	\$0.34	February 7, 2026 April 25, 2026
Mor Bzizinzky Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Niv Shirazi Former director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Harold Wolkin Former director	Restricted share units	30,000 (30.48%) 10,000 (1.16%)	February 7, 2025 April 25, 2025	N/A	\$4.75 \$9.77	\$0.34	February 7, 2026 April 25, 2026

**Notes:**

- (1) Percentage is based on the total number of Subordinate Voting Shares outstanding as at the end of Fiscal 2025, being 861,111 Subordinate Voting Shares.
- (2) All compensation securities vested and settled during Fiscal 2025. Accordingly, no compensation securities were outstanding as at the end of Fiscal 2025.
- (3) No compensation securities were re-priced, cancelled, replaced, had their term extended or were otherwise materially modified during Fiscal 2025.

**Exercise of Compensation Securities by Directors and NEOs**

The following table sets forth details of all exercises by each director and NEO of compensation securities during Fiscal 2025:

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Yftah Ben Yaackov CEO and director	Restricted share units	70,073	N/A	April 23, 2025	\$9.36	N/A	\$656,088
Avner Tal CTO and former director	Restricted share units	10,000	N/A	April 25, 2025	\$9.77	N/A	\$97,734

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Gabi Kabazo CFO and director	Restricted share units	30,000 20,000	N/A	February 7, 2025 April 25, 2025	\$4.75 \$9.77	N/A	\$142,408 \$195,468
Stefania Szabo President and director	Restricted share units	30,000 10,000	N/A	February 7, 2025 April 25, 2025	\$4.75 \$9.77	N/A	\$142,408 \$97,734
Marcel (Moti) Maram Former president and former director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Carmel Zigdon Director	Restricted share units	30,000 20,000	N/A	February 7, 2025 April 25, 2025	\$4.75 \$9.77	N/A	\$142,408 \$195,468
Mor Bzinzky Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Niv Shirazi Former director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Harold Wolkin Former director	Restricted share units	30,000 10,000	N/A	February 7, 2025 April 25, 2025	\$4.75 \$9.77	N/A	\$142,408 \$97,734

### **Employment, Consulting and Management Agreements**

#### **Yftah Ben Yaackov**

On April 1, 2022, the Company and Yftah Ben Yaackov entered into a services agreement under which Mr. Yaackov agreed to act as the Company's CEO for the sum of \$250,000 per year. On April 1, 2023, the annual compensation was updated to US\$ 300,000. On April 1, 2024, the annual compensation was updated to US\$ 405,000. On April 1, 2025 his compensation has changed to US \$654,000 annual salary. Both parties are entitled to terminate the services agreement for any reason, or no reason, by giving the other party prior written notice of 90 days.

#### **Gabi Kabazo**

On April 1, 2022, the Company and Miga Consulting Ltd. ("**Miga**") entered into a services agreement (the "**Miga Agreement**"). Under this services agreement, Miga agreed that its controlling shareholder, Gabi Kabazo, would act as the Company's CFO in consideration for the sum of \$120,000 per year. On April 1, 2023, the annual compensation was updated to US\$ 200,000. On April 1, 2024, the annual compensation was updated to US\$ 270,000. Both parties are entitled to terminate the services agreement for any reason, or no reason, by giving the other party prior written notice of 90 days.

## **Avner Tal**

Pursuant to an unwritten arrangement between the Company's wholly-owned subsidiary, BYND – Beyond Solutions Ltd. (“**BYND Israel**”), and Avner Tal, Mr. Tal receives the sum of \$250,000 per year in consideration for his services to the Company as CTO.

### **Termination and Change of Control Benefits**

The services agreements with each of Avner Tal, Miga (Gabi Kabazo) and Yftah Ben Yaackov provide inter alia that:

- if the employee's employment with the Company and BYND Israel, is terminated without cause, or
- if the employee elects to terminate his employment with the Company and BYND Israel in the event there has been a “substantial breach” by the Company or BYND Israel (including wrongful dismissal) or if there has been a change of control of the Company or BYND Israel,

then such terminated employee will be entitled to severance payments equal to one-twelfth of the employee's then base salary plus coverage for any benefits to which he may be entitled pursuant to any benefit plan, for the lesser of: (i) twelve months, or (ii) until the such employee finds new employment.

No benefits will accrue to any of the Company's other NEOs, officers, employees or directors upon their termination, or upon any change of control of the Company, except as may be required by applicable law.

### **Director Compensation**

#### ***Material Factors Necessary to Understand Director Compensation***

The Board has adopted a compensation scheme for non-executive directors that pays them a fixed amount for each fiscal quarter served (or portion thereof). In addition, the chair of the Board and the chair of the Audit Committee each receive an additional fixed quarterly amount for acting as chair. With the approval of the Exchange, up to one half of all fees are payable in Subordinate Voting Shares, with the remainder payable in cash. In addition, Directors are reimbursed for travel and other expenses incurred in attending meetings and the performance of their duties.

The Board considers option grants to directors at the time a director joins the board and annually. Option grants to directors are intended as a long term incentive.

### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

During the Fiscal 2025, the Company's Stock Option Plan and RSU Plan were the only equity compensation plans under which securities were authorized for issuance. The following table sets out certain information with respect to the Stock Option Plan and RSU Plan as at the end of the Company's most recently completed financial year.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by security holders	-	-	258,333 Subordinate Voting Shares <sup>(1)</sup>
Equity compensation plans not approved by security holders	-	-	-
Total	-	-	258,333 Subordinate Voting Shares <sup>(1)</sup>

**Notes:**

<sup>(1)</sup> This figure is based on the total number of Subordinate Voting Shares authorized for issuance under the Stock Option Plan and the RSU Plan, less the number of stock options issued under the Stock Option Plan and restricted share units issued under the RSU Plan which were outstanding as at the end of Fiscal 2025. As at the end of Fiscal 2025, the Company was authorized to issue stock options and restricted share units for the purchase of up to 258,333 Subordinate Voting Shares, being 30% of the number of Subordinate Voting Shares then issued and outstanding, of which up to 240,000 Subordinate Voting Shares may be issuable pursuant to restricted share units, with the balance issuable pursuant to stock options.

## CORPORATE GOVERNANCE DISCLOSURE

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. National Policy 58-201 *Corporate Governance Guidelines* (“**NP 58-201**”) establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Board is committed to sound corporate governance practices and feels that the Company’s corporate governance practices are appropriate and effective for the Company given its current size.

The Company’s corporate governance practices are summarized below.

### Board of Directors

The Board is currently composed of Mor Bzizinsky, Gabi Kabazo, Stefania Szabo, Yftah Ben Yaackov and Carmel Zigdon. All of the proposed nominees for election as directors are currently directors of the Company.

NP 58-201 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as “independent” directors. An “independent” director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director’s ability to act with a view to the best interests of the company, other than interests and relationships arising from shareholding. In addition, where a company has a significant shareholder, NP 58-201 suggests that a board of directors should include a number of directors who do not have interests in either the company or a significant shareholder.

Of the current directors, Mor Bzizinsky, Stefania Szabo and Carmel Zigdon are considered by the Board to be “independent” within the meaning of NP 58-201. Gabi Kabazo and Yftah Ben Yaackov are executive officers of the Company, and accordingly, they are considered to be “non-independent”. The Company does not currently have a lead independent director.

The Board meets formally at least on a quarterly basis, with additional meetings scheduled on an as-needed basis. In addition, management informally provides updates to the Board between formal meetings. There were seven Board meetings held during Fiscal 2025. All of the individuals who were directors as of the date of the Board meetings attended all of the meetings in person or via electronic communications.

The Board facilitates the exercise of independent supervision over management through these various meetings. At present, the Board has two formal committees, including the Audit Committee. The composition of the Board is such that the independent directors have significant experience in business affairs and, as a result, these directors are able to provide significant and valuable independent supervision over management.

In the event of a conflict of interest at a meeting of the Board, the conflicted director will, in accordance with corporate law and in accordance with their fiduciary obligations as a director of the Company, disclose the nature and extent of their interest to the Board and abstain from voting on or against the approval of such participation.

### **Directorships**

The current directors of the Company named in the table below are directors of other issuers that are reporting issuers in Canada or the equivalent in a foreign jurisdiction.

<b>Name of Director</b>	<b>Name of Other Reporting Issuer</b>
Gabi Kabazo	Plantify Foods, Inc. Darelle Online Solutions Inc.

### **Orientation and Continuing Education**

New directors undergo an induction process in which they are given a full briefing on the Company. Where possible, this includes meetings with key executives, an induction package and presentations. Information conveyed to new directors includes access to a copy of the Company’s corporate governance policies, including the Board’s written mandate, and to a copy of the constating documents of the Company, details of Board meeting arrangements and contact information for any chairman, any lead director and the corporate secretary.

### **Ethical Business Conduct**

The Board has adopted a written code of conduct for the directors, officers and employees of the Company to encourage and promote a culture of ethics and business conduct. Directors and officers of the Company are encouraged to conduct themselves and the business of the Company with the utmost honesty and integrity. Directors are also encouraged to consult with the Company’s professional advisors with respect to any issues related to ethical business conduct. The code of conduct is available on the Company’s website (<https://femtocorp.com/#ir>).

## **Nomination of Directors**

The identification of potential candidates for nomination as directors of the Company is carried out by the GNC Committee which provides recommendations to the Board. Additionally, all directors are encouraged to participate in the identification and recruitment of new directors. Potential candidates are primarily identified through referrals by business contacts.

## **Compensation**

The compensation of directors and the CEO is determined based on the recommendations of the GNC Committee to the Board. Such compensation is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

## **Other Board Committees**

Other than the Audit Committee and the GNC Committee, the Board has not established any committees at this time but may do so in future. The Board may also, from time to time, create a special committee to consider particular transactions. All Board committees are composed of independent directors.

## **Assessments**

The Board conducts self-evaluations annually to determine the effectiveness of the Board, its committees and individual directors. The Audit Committee also conducts an annual assessment of its effectiveness and contribution, consisting of a review of its charter, the performance of the committee as a whole. The Audit Committee then submits a committee annual assessment report to the Board, including recommendations.

## **AUDIT COMMITTEE DISCLOSURE**

### **Audit Committee Charter**

The Board has established the Audit Committee which consists entirely of independent and non-executive directors. The roles and responsibilities of the Audit Committee are outlined in this charter.

#### **Membership**

The Audit Committee will consist of at least three independent Board members who can all read and understand financial statements and are otherwise financially literate, including:

- At least one member with financial expertise either as a qualified accountant or other financial professional with experience in financial and accounting matters; and
- At least one member who has an understanding of the industry in which the Company operates.

#### **Chair**

The Audit Committee will appoint an independent director, other than the chair of the Board, to be the chair of the Committee. The chair is responsible for the following:

- Providing the necessary direction required for the Audit Committee to undertake its role effectively;

- Overseeing the preparation of Audit Committee agendas and briefing papers and ensuring that all required matters are brought before the Audit Committee and that all the Audit Committee members receive timely and accurate information so that they can make informed decisions on matters under the Audit Committee's responsibility;
- Reporting to the Board on the matters reviewed by the Audit Committee and on any decisions or recommendations of the Audit Committee in accordance with this charter;
- Reviewing the expense reports of the chair;
- Carrying out any special assignments or functions as requested by the Board.

#### Secretary

Unless otherwise determined by the Committee, the corporate secretary will be the secretary of the Audit Committee.

#### Other Attendees

The Chief Financial Officer as well as other members of senior management may be invited to be present for all or part of the meetings of the Audit Committee, but will not be members of the Audit Committee.

Representatives of the external auditor are expected to attend each meeting of the Audit Committee and at least once a year the Audit Committee shall meet with the external auditors without any management, executives or staff present.

#### Quorum

A quorum will be two members.

#### Meetings

Audit Committee meetings will be held not less than four times a year so as to enable the Audit Committee to undertake its role effectively. In addition, the chair is required to call a meeting of the Audit Committee if requested to do so by any member of the Audit Committee, the Chief Financial Officer or the external auditor.

#### Authority

The Audit Committee is authorized by the Board to investigate any activity within its charter. The Audit Committee will have access to management and to the external and internal auditors with or without management present and has rights to seek explanations and additional information. It is authorized to seek any information it requires from any employees and all employees are directed to cooperate with any request made by the Audit Committee.

The Audit Committee is authorized by the Board to obtain outside legal or other independent professional advice, to set and pay the compensation for such legal or other advisors and to secure the attendance of advisors with relevant experience and expertise if it considers this necessary.

The Audit Committee is required to make recommendations to the Board on all matters within the Audit Committee's charter.

## Reporting Procedures

The Audit Committee will keep minutes of its meetings. The minutes of each Audit Committee meeting will be drafted by the secretary of the Audit Committee or such other secretary of the meeting as shall be delegated by the secretary or appointed by the Audit Committee from time to time. The secretary of the Audit Committee shall circulate the minutes of the meetings of the Audit Committee to all members of the Audit Committee for comment and change before being signed by the chair of the Audit Committee. A report is to be made by the chair of the Audit Committee at the Board meeting following the Audit Committee meeting along with any recommendations of the Audit Committee.

## Duties and Responsibilities of the Audit Committee

The Audit Committee is responsible for reviewing the integrity of the Company's financial reporting and overseeing the work of the external auditors. In particular, the Audit Committee has the following duties:

### Financial Statements and Information

- To review the audited annual and unaudited half-yearly and quarterly financial statements and any press releases and reports which accompany published financial statements (including management's discussion and analysis, related press releases and conference call presentations) before submission to the Board, recommending their approval, focusing particularly on:
  - o Any changes in accounting policies and practices;
  - o Major judgmental areas;
  - o Significant adjustments, accounting and financial reporting issues resulting from the internal and external audit;
  - o Compliance with accounting policies and standards; and
  - o Compliance with legal requirements.
- To review any financial outlook or future-oriented financial information disclosed by the Company before submission to the Board, recommending their approval, focusing on reasonableness of assumptions used and appropriateness of disclosure.
- To review any periodic report, announcement or press release containing financial information that is not audited or reviewed by an external auditor, before submission to the Board, recommending their approval.

### Related Party Transactions

- To review and monitor any related party transactions.

### External Audit Function

- To recommend to the Board the appointment of the external auditor.
- Each year, to review the appointment of the external auditor, their independence, the audit fee, and any questions of resignation or dismissal.
- To discuss with the external auditor before the audit commences the nature and scope of the audit.

- To meet privately with the external auditor on at least an annual basis.
- To determine that no management restrictions are being placed upon external auditor.
- To discuss problems and reservations arising from the interim and final audits, and any matters the auditors may wish to discuss (in the absence of management where necessary).
- To review the external auditor's management letter and management's response and resolve any disagreement between management and the external auditor regarding financial reporting.
- To review any regulatory reports on the Company's operations and management's response.
- To pre-approve all non-audit services to be provided to the Company and its subsidiaries by the external auditor in accordance with National Instrument 52-110 *Audit Committees*.
- To review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company.

#### Communication

- Providing, through regular meetings, a forum for communication between the Board, senior financial management, staff involved in internal control procedures and the external auditors.
- Enhancing the credibility and objectivity of financial reports with other interested parties, including creditors, key stakeholders and the general public.
- Establishing procedures for the receipt, retention and treatment of complaints and concerns regarding accounting, internal accounting controls and auditing matters and ensuring a mechanism for the confidential treatment of such complaints and reports including the ability to submit them anonymously, and publicize such procedures in the Company's Code of Conduct or another policy made available to all employees and the public.

#### Assessment of Effectiveness

- To evaluate the adequacy and effectiveness of the Company's administrative, operating and accounting policies through active communication with operating management and the external auditors.

#### Oversight of the Risk Management System

- To oversee the establishment and implementation by management of a system for identifying, assessing, monitoring and managing material risk throughout the Company, including the Company's internal compliance and control systems.
- To review at least annually the Company's risk management systems to ensure the exposure to the various categories of risk are minimized.
- To evaluate the Company's exposure to fraud.
- To take an active interest in ethical considerations regarding the Company's policies and practices.
- To monitor the standard of corporate conduct in areas such as arms-length dealings and likely conflicts of interest.

- To identify and direct any special projects or investigations deemed necessary.
- To ensure that roles within the Company are filled by employees or contractors with skills, training, qualifications and experience suitable for each role, especially in areas of the business which are regulated by statute or regulation.
- To ensure a safe working culture is sustained in the workforce.
- To determine the Company's risk profile describing the material risks, including both financial and non-financial matters, facing the Company, regularly review and update the risk profile, and ensure material risk factors are appropriately disclosed in the Company's annual and interim reports and the Company's annual information form.

### Composition of the Audit Committee

The following are the members of the Audit Committee as at the date hereof:

Mor Bzizinsky	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Stefania Szabo	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>
Carmel Zigdon	Independent <sup>(1)</sup>	Financially literate <sup>(1)</sup>

<sup>(1)</sup> Within the meaning of NI 52-110.

### Relevant Education and Experience

In addition to their general business experience, the education and experience of each member of the Company's audit committee relevant to the performance of their responsibilities as an audit committee member are as follows:

**Stefania Szabo** is a government services, management, international business and public relations professional with more than 25 years of experience in all areas of bilateral and multilateral relationship management, diplomacy, trade and HR. She has developed expertise through communication, negotiation and mediation between European and Canadian government networks to promote economic and trade values as well as representing government, business and community interests.

**Mor Bzizinsky** received a B.A. in Law and Economics from the College of Management in Rishon LeZion, Israel. She has been an attorney since 2012 and owns and manages a private law practice and she has experience in managing projects in the agriculture industry and has vast knowledge and experience working with the Medical Cannabis Unit.

**Carmel Zigdon** is a business professional with strong skills in the fields of marketing and online sales, is the inventor of the EZ-G device and the founder of Zigi Carmel Initiatives & Investments Ltd. Since 2018, he has served as the online shopping manager of ZCRAVE.com, an online clothes store generating revenues in the millions of US\$ per year.

### Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year, has the Company relied on the exemption in sections 2.4 (*De Minimis Non-audit Services*), 6.1.1(4) (*Circumstances Affecting the Business or Operations of the Venture Issuer*), 6.1.1(5) (*Events Outside Control of Member*), 6.1.1(6) (*Death, Incapacity or Resignation*) of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

## Reliance on Section 6.1

The Company is relying upon the exemption in section 6.1 of NI 52-110.

## Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the audit committee to nominate or compensate an external auditor not adopted by the Board.

## Pre-Approval Policies and Procedures

The audit committee is required to approve the engagement of the Company's external auditor in respect of non-audit services.

## External Auditor Service Fees (by category)

The aggregate fees billed by the Company's external auditor in each of the last two financial years for audit fees are as follows:

Financial Year Ending	Audit Fees <sup>(1)</sup> (\$)	Audit Related Fees <sup>(2)</sup> (\$)	Tax Fees (\$) <sup>(3)</sup>	All Other Fees <sup>(4)</sup> (\$)
2025	161,000	-	-	-
2024	199,684	-	-	-

### Notes:

- (1) Fees charged by the Company's external auditor for audit fees.
- (2) Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under "Audit Fees".
- (3) Fees charged for professional services rendered by the Company's external auditor for tax compliance, tax advice, and tax planning.
- (4) Fees charged for other products and services provided by the Company's external auditor.

## PARTICULARS OF MATTERS TO BE ACTED UPON

The following are the matters to be acted upon at the Meeting.

### Presentation of the Financial Statements

The consolidated financial statements of the Company for Fiscal 2025 and the report of the auditor thereon, which were mailed to Registered Shareholders who requested the same, will be placed before the Meeting. The Company's consolidated financial statements are available under the Company's profile on the SEDAR+ website, which can be accessed at [www.sedarplus.ca](http://www.sedarplus.ca).

### Election of Directors

The persons named in the enclosed instrument of proxy intend to vote in favour of fixing the number of directors at five.

Each director of the Company is elected annually and holds office until the next annual meeting of the shareholders unless that person ceases to be a director before then. In the absence of instructions to the contrary, the Subordinate Voting Shares represented by proxy will be voted for the nominees herein listed.

*Management Nominees*

MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF THE NOMINEES WILL BE UNABLE TO SERVE AS A DIRECTOR. IN THE EVENT THAT PRIOR TO THE MEETING ANY VACANCIES OCCUR IN THE SLATE OF NOMINEES HEREIN LISTED, IT IS INTENDED THAT DISCRETIONARY AUTHORITY SHALL BE EXERCISED BY THE PERSON NAMED IN THE PROXY AS NOMINEE TO VOTE THE SUBORDINATE VOTING SHARES REPRESENTED BY PROXY FOR THE ELECTION OF ANY OTHER PERSON OR PERSONS NOMINATED AS DIRECTORS.

Management proposes that the number of directors for the Company be determined at five for the ensuing year subject to such increases as may be permitted by the articles of the Company and the governing corporate legislation. The following table lists the management nominees for election as directors and certain information concerning them, as furnished by each nominee.

<b>Name, Jurisdiction of Residence and Position</b>	<b>Principal Occupation or Employment (Past Five Years if not Previously Elected by Shareholders)</b>	<b>Date Appointed as a Director</b>	<b>Direct and Indirect Holdings in Voting Securities of the Company and its Subsidiaries</b>
<b>Gabi Kabazo</b> BC, Canada CFO, corporate secretary and director	CFO of the Company.	March 29, 2021	31,495 Subordinate Voting Shares
<b>Stefania Szabo</b> <sup>(1)(2)</sup> ON, Canada Director	Vice president, Director of Immigration with Pace Law	June 23, 2021	13,227 Subordinate Voting Shares
<b>Mor Bzizinsky</b> <sup>(1)(2)</sup> Kochav Michael, Israel Director	Attorney at Bzizinsky Law Office	September 29, 2025	2 Subordinate Voting Shares
<b>Yftah Ben Yaackov</b> Ashkelon, Israel CEO and director	CEO of the Company.	March 29, 2021	70,219 Subordinate Voting Shares 8,564 Enhanced Voting Shares
<b>Carmel Zigdon</b> <sup>(1)(2)</sup> Givatayim, Israel Director	Manager at ZCRAVE.com. a New York based fashion house and retailer	September 22, 2022	20,082 Subordinate Voting Shares

**Notes:**

- (1) Member of the Company's audit committee.  
(2) Member of the Company's GNC Committee.

*Cease Trade Orders and Bankruptcy*

No proposed director:

- (a) is, or was within 10 years before the date of this information circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
  - (ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) is, as at the date of this information circular, or has been within the 10 years before the date of this information circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
  - (c) has, within 10 years before the date of this information circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointee to hold the assets of the proposed director.

In addition, no proposed director has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

### **Appointment of Auditor**

On November 13, 2025, Reliant CPA PC (the “**Predecessor Auditor**”) was terminated as the auditor of the Company and BDO Ziv Haft, Certified Public Accountants (Isr.) of 48 Menachem Begin Rd., Tel Aviv, Israel, (the “**Successor Auditor**”) was appointed to fill the vacancy as the auditor of the Company.

In accordance with section 4.11 of National Instrument 51-102 *Continuous Disclosure Obligations* (“**NI 51-102**”), the Company filed a reporting package (the “**Reporting Package**”) under its profile on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) in respect of the change of auditor, which consisted of the following:

- (a) Notice of Change of Auditor, dated November 13, 2025;
- (b) letter from the Predecessor Auditor, dated November 20, 2025; and
- (c) letter from the Successor Auditor, dated November 13, 2025.

A copy of the Reporting Package is attached to this information circular as Schedule “A”.

The Reporting Package states that there have been no reservations in the auditors' reports nor have there been any reportable events, as defined by NI 51-102, in relation to the change of auditors.

The persons named in the enclosed instrument of proxy will vote for the appointment of the Successor Auditor as auditor of the Company for the ensuing year, until the close of the next annual meeting of the shareholders at a remuneration to be fixed by the Board.

### ADDITIONAL INFORMATION

Additional information concerning the Company is available under its profile on the SEDAR+ website at [www.sedarplus.ca](http://www.sedarplus.ca). Financial information is provided in the Company's comparative consolidated financial statements and management's discussion and analysis for its most recently completed financial period which are filed on SEDAR+. Shareholders wishing to obtain a copy of such financial statements and management's discussion and analysis may contact the Company as follows:

Femto Technologies Inc.  
2264 East 11<sup>th</sup> Avenue  
Vancouver, BC V5N 1Z6  
Telephone: (604) 833-6820  
Email: [gabi@femtocorp.com](mailto:gabi@femtocorp.com)

**Management knows of no other matters to come before the Meeting other than those referred to in the notice of meeting. Should any other matters properly come before the Meeting, the Subordinate Voting Shares represented by the instrument of proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting by proxy provided that such authority is granted to the proxyholder by the proxy.**

The contents and sending of this information circular have been approved by the directors of the Company.

**DATED** at Vancouver, British Columbia, the 4<sup>th</sup> day of May, 2026

**BY ORDER OF THE BOARD OF DIRECTORS**

*"Stefania Szabo"*

**Stefania Szabo  
President**

**SCHEDULE "A"**

**CHANGE OF AUDITOR REPORTING PACKAGE**

## NOTICE OF CHANGE OF AUDITOR

### Notice Pursuant to Section 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations*

**TO:** Reliant CPA PC, Newport Beach, CA, USA

**AND TO:** BDO Ziv Haft., Tel Aviv, Israel

**DATED:** November 13, 2025

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Femto Technologies, Inc. (the “**Company**”) hereby provides notice (this “**Notice**”) pursuant to section 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) of a change in the auditor of the Company from Reliant CPA PC, Newport Beach, CA, USA (the “**Predecessor Auditor**”), to BDO Ziv Haft of Tel Aviv, Israel (the “**Successor Auditor**”), and confirms the following:

1. The Predecessor Auditor was terminated as auditor of the Company effective as of November 13, 2025;
2. the Successor Auditor has advised the Company of its agreement to be appointed as successor auditor of the Company, effective upon the termination of the Predecessor Auditor’s;
3. the Board of Directors of the Company has appointed the Successor Auditor as successor auditor of the Company effective as of November 13, 2025, to fill the vacancy created by the termination of the Predecessor Auditor and to perform the audit of the annual financial statements of the Company for the financial year ended December 31, 2025;
4. the audit committee of the Company has approved the termination of the Predecessor Auditor and the appointment of the Successor Auditor;
5. there were no modified opinions expressed in the auditor’s reports of the Predecessor Auditor on the annual financial statements of the Company for the financial years ended December 31, 2024 and 2023; and
6. in the opinion of the Company, there are no “reportable events” (as that term is defined in NI 51-102).

The Company requests that each of the Predecessor Auditor and the Successor Auditor review this Notice and, on or before November 20, 2025, provide the Company with a letter addressed to the British Columbia , and Ontario Securities Commissions stating whether it (i) agrees, (ii) disagrees (and the reasons why), or (iii) has no basis to agree or disagree with the above statements in accordance with section 4.11 of NI 51-102.

*[Remainder of page intentionally left blank.]*

**DATED** as of the date first set forth above.

**FEMTO TECHNOLOGIES INC.**

Per: *"Yftah Ben Yaackov"*

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Yftah Ben Yaackov  
Chief Executive Officer



November 20, 2025

British Columbia Securities Commission  
P.O. Bost 10142, Pacific Centre  
701 West Georgia Street,  
Vancouver, British Columbia V7Y 1L2

Ontario Securities Commission  
20 Queen St. W., 20th Fl.  
Toronto, Ontario M5H 3S8

Dear Sirs/Mesdames:

**Re: Femto Technologies, Inc. (the “Company”) – Change of Auditor**

As required by National Instrument 51-102 *Continuous Disclosure Obligations*, we have reviewed the information contained in the Company’s Notice of Change of Auditor dated November 13, 2025 (the “**Notice**”), and we agree with the information contained therein, based upon our knowledge of the information related to the Notice in as far as they relate to us.

Sincerely,

/s/ Reliant CPA PC

**Reliant CPA PC**  
**Certified Public Accountants**





November 13, 2025

Ontario Securities Commission

British Columbia Securities Commission

Dear Sirs / Mesdames,

**Re: Notice of Change of Auditor of Femto Technologies Inc. (the "Company")**

**Dated November 13, 2025**

As required by section 4.11 of National Instrument 51-102 - Continuous Disclosure Obligations, we have reviewed the information contained in the Company's Notice of Change of Auditor dated November 13, 2025 (the "Notice"). We agree with the second and third statement in the Notice related to our appointment as the Company's auditor, and we have no basis to agree or disagree to other statements in the Notice.

Yours truly,

Ziv haft  
Certified Public Accountants (Isr.)  
BDO Member Firm

A handwritten signature in blue ink, appearing to read 'Ziv haft', is written over the typed name and title.