POOLSAFE

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Management Discussion and Analysis

June 30, 2023

Introduction

The following interim Management Discussion & Analysis ("Interim MD&A" or "MD&A") of Pool Safe Inc. (the "Company" or "Pool Safe") for the six-months ended June 30, 2023 has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since the Management Discussion & Analysis ("Annual MD&A") for the fiscal period ended December 31, 2022.

This Interim MD&A has been prepared in compliance with section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Company's Annual MD&A, audited consolidated financial statements for the periods ended December 31, 2022 and December 31, 2021, together with the notes thereto and unaudited interim financial statements for the six months ended June 30, 2023 together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. The Company's financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited consolidated interim condensed financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting. Accordingly, information contained herein is presented as of August 28, 2023, unless otherwise indicated.

For the purposes of preparing this Interim MD&A, management, in conjunction with the Board of Directors (the "Board"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

During the year ended December 31, 2017, the Company became a reporting issuer in Ontario, British Columbia and Alberta as explained in the Overview section. The common shares of the Company are listed for trading on the TSX-Venture Exchange (the "TSX-V") under the trading symbol POOL. This MD&A is dated as of August 28, 2023.

Additional Information

Additional information relating to the Company is on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedar.com.

Overview

Pool Safe Inc. was a privately held corporation, incorporated on October 27, 2011 pursuant to the Business Corporations Act (Ontario). On April 24, 2017, Pool Safe completed its listing requirements and became a public company trading on the TSX-V.

On August 30, 2022, Pool Safe announced the appointment of Mr. Nils Kravis as Executive Chairman of the Company. His leadership and extensive branding and marketing experience in the hospitality industry is and will be of significant benefit as Pool Safe continues to grow and expand its client base.

Since joining, Mr. Kravis has completed a strategic review and developed, with management, a marketing plan that included rebranding and relaunching the PoolSafe product along with introducing a new CRM (customer relationship management) platform that will allow the Company to develop an ideal sales process map that will lead to new marketing and sales initiatives. The third key initiative he is introducing is a software upgrade of the Pool Safe operating software that will make it an interactive IOT (internet of things) device.

The Company has hired 7 Communications to develop a fresh suite of marketing tools for a rebranded PoolSafe product including:

- Development of a new, foundational brand platform that consists of a strategic narrative, a compelling product name and a complete identity package;
- A redesign of the website that will leverage the new brand platform, feature enhanced content and focus on inbound lead conversion, and;
- Creation of complimentary, photographic, video and brochure content that can be leveraged in multiple sales channels.

On November 15, 2022, the PoolSafe was rebranded as "Loungenie" and the product was relaunched at the IAPPA Expo (International Association of Amusement Parks and Attractions) in Orlando, Florida.

The Company has also contracted with Tangible Words, who are HubSpot implementation specialists to lead the CRM development and implementation. The Marketing Hub software will help Pool Safe grow traffic, convert more visitors and run complete inbound and outbound marketing campaigns at scale. Sales Hub CRM software will help Pool Safe get deeper insights into prospects and automate repetitive tasks and close more deals, faster.

Pool Safe drives incremental revenues for hotels, resorts, waterparks and cruise lines, while increasing the guest experience and satisfaction. The premium multi-purpose Loungenie product is a functional piece of furniture installed in VIP cabanas and exclusive indoor and outdoor lounge areas and premium seating. The Loungenie features a service call button, a lockable compartment for guest electronics and valuables, a USB solar panel charger as well as an ice bucket and beverage holders. These features fill a need in their guests' out of room experiences and create multiple resort revenue sources from daily rentals and incremental food and beverage sales. Loungenie is a solutions-based approach to driving revenue for their guests while providing a product that fulfils people's security and service needs and wishes.

The Company's primary source of revenue comes from its revenue share partnerships. Under this model Pool Safe and its clients create a partnership through a three or four-year Revenue Share Agreement ("RSA"). There is no upfront capital cost to the Company's client/partners and but rather the revenue earned through VIP seating or cabana rentals is shared. With this, the Company also offers a data broadcast system, which includes a touch screen application installed in the client/partners food and beverage area and the call button on each Loungenie. The touch screen alerts their staff when a guest has pressed the Loungenie call button. Each Loungenie is unique, thus enabling the Company's client/partners to respond directly to their guests needs. The Loungenie also provides for branding and customization opportunities. Each Loungenie can be equipped with a branded lift-lid, a branded safe door and media wrap. In summary, the Loungenie provides its client/partners with additional revenue streams including product rental fees within VIP areas, an increase in food and beverage orders as well as optional media advertising. The Company also sells the Loungenie unit outright.

During 2018 Pool Safe developed new hardware and software technology which enables two-way communication between the Loungenie, its data base gateway and the Cloud. Pool Safe is currently in the process of upgrading the Loungenie software and firmware to enable two-way data transfers and to make the Loungenie an IoT (internet of things) device. As an IoT enabled appliance, the Loungenie will be able to collect usage information and deposit it into an archive in the Cloud, for later mining and potential monetization. The new software will also be able to monitor and manage battery health of the Loungenie and interior/exterior temperatures, which will allow for suggestive selling push notifications. For the Company's portfolio of current and future revenue share partnerships, the Loungenie's food and beverage long range, low power, wireless connectivity technology ("LoRa") facilitates a wider service coverage area. Unlike WiFi, which has a 100-foot range, the LoRa technology has a range of up to 1.2 kilometres and is embedded within the Loungenie and does not require the property to add or make changes to their current infrastructure. Pool Safe Inc. will continue to add new services to its already feature-rich design.

Key Performance Indicators

Key performance indicators that the Company uses to manage the business and evaluate its financial results and operating performance include new client additions, net investment in equipment, revenues, average yields, operating expenses and net income. The Company evaluates its performance on these metrics by comparing the actual results and normalized results to management budgets, forecasts and prior period performance.

Recent Events

In May 2021, the Company entered into a Financing Agreement for a senior secured loan of $500,000. The Company issued 1,600,000 warrants in conjunction with the Senior Secured Loan. The loan was due December 31, 2022 bearing interest at 12% per annum. The warrants were valued at $24,598 using a Black-Scholes valuation option model and are considered a cost of issuance. The warrants are being accreted against the loan balance, as interest, over the term of the loan. This loan is subordinate only to the revolving line of credit. On January 9, 2023 the TSX Venture Exchange accepted an amendment with respect to the Company's $500,000 senior secured loan. Pursuant to the amendment, the repayment date of the debenture and the expiry date of the bonus warrants were extended until Dec. 31, 2023.

On July 13, 2022 the Company concluded an agreement with Intrexa Ltd. to amend the parties' Credit Agreement by increasing the line of credit to $3.5 million from the current $1 million. The Amendment is at a decreased interest rate of 8% annually from 10% and includes a multi-year term extension.

On August 31, 2022, the Company announced the closing of the first tranche of a previously announced non-brokered debenture financing, being the issuance of 675 Debenture Units for gross proceeds of $675,000. On November 10, 2022, the Company announced the closing of the final tranche of the financing, being the issuance of 130 Debenture Units for gross proceeds of $130,000. Each Debenture Unit consists of (a) one $1,000 face value debenture ("Debenture"), and (b) 28,500 common share bonus warrants of the Company (the "Financing Warrants"). The Debentures mature thirty-six months from the date of the issuance, and bear interest at a rate of eight percent (8%) per annum. Each warrant entitles the holder to acquire one common share of the Company at an exercise price of $0.05 for a period of 36 months from the closing date of the Debenture Financing (the "Closing Date"). If at any time the Common Shares trade at higher than $0.15 per Common Share (on a volume weighted average basis) for a period of 20 consecutive trading days (the "Early Expiry Event"), the Company has the right to accelerate the expiry date of the Financing Warrants by providing the holder with written notice of an Early Expiry Event (the "Early Expiry Notice"). The period whereby the holder is entitled to exercise any portion of outstanding Financing Warrants shall expire 30 calendar days following the date on which the company provides Early Expiry Notice to holders. Furthermore, if a portion of the Debentures are repaid during the first year following the Closing Date, a proportional number of the Financing Warrants shall have their term reduced to the later of one year from the Closing Date and 30 days from repayment of that portion of the Debenture. The lead investor (the "Lead Investor") of the Debenture Financing has their Financing Warrants expire on the date that is 37 months after the Closing Date. The Lead Investor shall also have an Early Expiry Date of 60 calendar days following the date on which the Company provides Early Expiry Notice.

On June 1, 2023, the Company announced the closing of a $420,000 tranche of the non-brokered debenture financing, being the issuance of 420 Debenture Units. On June 30, 2023, the Company announced the closing of a $670,000 second tranche of the non-brokered debenture financing, being the issuance of 670 Debenture Units. Subsequent to the end of the second quarter, the Company announced on July 6, 2023, the closing of a third and final tranche of $50,000 of the non-brokered debenture financing, being the issuance of 50 Debenture Units.

In the 2021 year the Company added 262 new Loungenie units into operation with revenue share partners. In addition, the Company and its partners renewed several Revenue Share Agreements ("RSAs") for an additional three years. In the first nine months of 2022 the Company installed a further 330 units into service with revenue share partners as well as upgraded many Loungenie units, at partner sites, with new locks and doors.

The Company renewed an existing RSA for an additional four years with 60 new Loungenie units which were installed at three Caribbean sites in Q1 2023. The Company also added 103 new RSA units into service, while removing 20 units that were under expired RSA's. In the first six months of 2023 and at June 30, 2023, the Company has 840 Loungenie units in service. Subsequent to the end of the second quarter, the Company delivered and installed 101 new Loungenie units at a partner site in Colorado.

The Company continues to have a very strong and favorable response to its Loungenie product and expects it could place up to 1,000 new units into service in 2023.

Board Addition

On August 12, 2021, Gillian Deacon joined the Pool Safe Board of Directors. Ms. Deacon brings over 10 years of integrated marketing experience across brand, experiential, partnership, and content marketing. She is currently based out of New York City as a Director of Partnership Strategy, Sales and Activation with Oak View Group ("OVG"), the largest developer of sports & entertainment facilities in the world, with over $5 billion committed spend on new arena developments in various prime global locales.

On August 30, 2022, Nils Kravis joined the Board and was appointed Executive Chairman. Mr. Kravis is an accomplished senior executive with deep and diverse experience in developing people, culture, and brands within the hospitality industry. He led and managed Kelsey's International Inc., a former Toronto Stock Exchange listed company, and successfully steered their expansion from 30 to 214 locations, increasing sales from $56 to $240 million. Mr. Kravis and his team were awarded Canada's Restaurant Company of the Year in 2001. In addition, he was recognized by his industry and was awarded the Gold Award of Excellence as Canada's Top Foodservice Executive in 2014. As the former president, Chief Executive Officer and Chief Operating Officer of numerous organizations, Mr. Kravis has held many functional roles within various organizations. Mr. Kravis has managed companies with teams from as small as five to as large as 12,500 employees. He is a 30-year member of the Young Presidents' Organization and has also been an active member of their hospitality network.

Selected Financial Information

The table below summarizes key operating data for the last three fiscal years.

	Year Ended December 31, 2022 $	**Year Ended December 31, 2021 $**	**Year Ended December 31, 2020 $**
Total revenue	706,918	254,939	264,888
Cost of sales	394,794	424,793	241,989
Operating costs	1,025,810	449,008	654,480
Net and comprehensive loss	(713,686)	(618,862)	(631,581)
Total assets	1,220,904	873,536	670,128
Total liabilities	2,233,196	1,371,414	1,198,842
Total equity (deficiency)	(1,012,292)	(497,878)	(528,714)

Shares outstanding, end of period	89,229,750	89,229,750	72,021,240
Weighted average shares outstanding	89,229,750	81,461,153	71,212,008
Net loss per share	(0.01)	(0.01)	(0.01)

Selected Quarterly Financial Information

The following quarterly results for the eight most recent quarters have been prepared in accordance with IFRS as listed below.

Three Months Ended	Cash	Current Liabilities	Revenue	Net Loss	Loss Per Share	Weighted Average Shares Outstanding
June 30, 2022	$ 801,248	$ 1,213,266	$ 322,484	$ (61,190)	$ (0.001)	89,979,750
March 31, 2023	38,028	1,306,966	92,113	(330,043)	(0.004)	89,443,794
December 31, 2022	221,096	1,284,869	44,573	(398,623)	(0.004)	89,229,750
September 30, 2022	291,301	2,190,420	331,925	(170,515)	(0.004)	89,229,750
June 30, 2022	525	1,778,776	260,044	12,359	0.000	89,229,750
March 31, 2022	10,512	1,493,675	70,376	(156,907)	(0.002)	89,229,750
December 31, 2021	28,906	1,293,727	21,867	(219,310)	(0.003)	81,461,153
September 30, 2021	245,923	733,726	169,591	(52,489)	(0.001)	81,461,153

<u>Three-month periods ended June 30, 2023 and June 30, 2022</u>

The net loss for the three-month period ended June 30, 2023 was $61,190 (June 30, 2022 – gain of $12,359).

Revenue increased in Q2 2023 as compared to Q2 2022 as more units were added into service. The Company experienced significant interest in its product during the quarter, which is expected to result in significantly more units in service in the near future. Management continues to believe that these assets will deliver future profits as they enter service with its revenue share partners. Revenue sharing opportunities continue to be the driver of greater future sales.

Sales of $322,484 in Q2 2023 increased compared to $260,044 in Q2 2022. The increase was due to a combination of more units in service, more units in seasonally favourable geographics as well as greater travel by consumers.

The Cost of Sales of $127,698 in Q2 2023 was up compared to $58,347 in Q2 2022. Greater RSA units in service created increased depreciation. Also, the ramp up in demand for units has increased labour costs in the COGS as compared to Q2 2022.

The following table sets forth a summary of the Company's operating expenses by category for the three-month periods:

	Three-Month Period Ended June 30, 2023 $	Three-Month Period Ended June 30, 2022 $
Selling, general and administrative	143,262	125,278
Stock-based compensation	2,193	-
Professional fees	5,850	17,721

Investor relations and regulatory	4,662	6,566
Foreign exchange	(2,827)	337
Advertising and promotion	20,823	-
Depreciation	1,624	7,721
Interest on loan payable	80,389	31,715
	255,976	189,338

Operating expenses were $255,976 for the three-month period ended June 30, 2023 (June 30, 2022 - $189,338). Greater corporate activities were the primary drivers for the increase in operating expenses in the 2023 quarter. Significant differences in in the comparable quarters include:

- Advertising and promotion increased as operations returned to pre-COVID levels.
- Interest expense increased as debt increased.

Six-month periods ended June 30, 2023 and June 30, 2022

The net loss for the six-month period ended June 30, 2023 was $391,233 (June 30, 2022 - $144,548).

COVID reduced revenues in the 2022 period. Operating costs have started to return to more normal levels in anticipation of increased revenues and increased opportunities to place additional revenue share assets with our partners. Recent revenue receipts indicate that the business levels of our partners are returning to pre-COVID levels.

Liquidity and Capital Resources

Cash and Working Capital

The following table sets forth a summary of the Company's working capital position as of the dates presented:

	As at June 30, 2023 $	**As at December 31, 2022 $**
Cash	801,248	221,096
Working capital (deficit)	145,747	(819,898)

The Company's principal source of liquidity as of June 30, 2023 was cash of $801,248 (December 31, 2022 - $221,096) and receivables of $243,825 (December 31, 2022 - $33,343). The working capital at June 30, 2023 was mostly created by the increase in cash through long term debts. Management will need to raise cash through a combination of equity, debenture financings, and financing arrangement for future product sales, to leave the Company with sufficient funds to meet its obligations and short-term working capital requirements, and to accomplish its short-term plans. The Company plans to continue to monitor closely its use of its available cash.
The Company will require substantial additional capital to fund the continued growth and expansion of the business.

Going concern

The consolidated financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company's ability to continue in the normal course of operations is dependent on its ability to raise equity or debt financing or through the sale of its products at a profit. Since inception the Company has incurred losses which as of June 30, 2023 totaled $6,052,126. In addition, the Company had working capital in the amount of $145,747 at June 30, 2023. There are no assurances that the Company will be successful in achieving these goals. These circumstances cast significant doubt on the Company's ability to continue as going concern and ultimately on the appropriateness of the use of the accounting principles applicable to a going concern. The consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. These adjustments could be material.

Other Assets (net)

	As at June 30, 2023 $	**As at December 31, 2022 $**
Equipment	129,823	156,140
Revenue share assets	683,493	599,793
	813,316	755,933

In the first six months of 2023, the Company installed 60 new Loungenie units under a renewed four-year RSA as well as added 103 Loungenie units under new RSAs, while retiring 20 RSA's from service. Subsequent to the end of the second quarter, the Company delivered and installed 101 new Loungenie units at a partner site in Colorado.

Equipment represents manufacturing equipment and moulds. Revenue share assets are Loungenie units placed into service on a revenue sharing basis.

Liabilities

	As at June 30, 2023 $	**As at December 31, 2022 $**
Trade payables and other	171,210	258,006
Current portion of lease liability	32,020	33,464
Promissory notes	-	-
Current portion of loans	1,010,000	993,399
Current portion of convertible debt	-	-
	1,213,230	1,284,869
Lease liability	27,430	45,337
Loan payable	2,066,049	902,990
	3,306,709	2,233,196

In the period ended June 30, 2023, trade payables and accruals decreased mostly related to deferred compensation, as trade payables were within 60 days. Capital lease obligations were reduced as the term of the lease progressed. Debt increased with draws against the revolver credit facility and new loans. The Company makes quarterly payments of 45% of RSA revenue, so much of that facility is expected to be repaid in the next 12 months. Debenture loans of $1,895,000 are included as a long-term liability. Interest expense in 2023 reflects accretion of warrants issued as a cost of debt, which reports as interest expense.

Common Shares

Common Shares	**As at June 30, 2023 $**	**As at December 31, 2022 $**
Common shares	4,055,837	4,033,337

The Company issued 750,000 common shares in Q1 2023, in settlement of a debt to a related party for $22,500. The Company did not issue common shares in 2022.

Outstanding Share Data

Shares existing at the date of this MD&A and comparative shares at June 30, 2023, and December 31, 2022 are as follows:

	August 25, 2023	June 30, 2023	December 31, 2022
Shares Outstanding	89,979,750	89,979,750	89,229,750
Warrants	60,032,500	58,607,500	27,542,500
RSU's	4,650,000	4,650,000	-
Options	8,361,487	8,361,487	5,461,487
Total	163,023,737	161,598,737	122,233,737

Subsequent to June 30, 2023, an additional $50,000 of debentures were issued, which resulted in the issuance of a further 1,425,000 warrants.

Related Party Transactions

The following is a summary of the Company's related party transactions during the periods ended June 30, 2023 and June 30, 2022, and outstanding as of those dates:

Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling activities of an entity, and include executive and non-executive directors. Compensation provided to key management is as follows:

	Six-month period ended	
	June 30, 2023	June 30, 2022
Short-term employee benefits, including salaries and fees	$ 86,654	$ 72,000
Stock-based compensation	46,288	-
	$ 132,942	$ 72,000

Stock-based compensation of $46,288 was granted to related parties via the issuance of 3,100,000 options in the period ended June 30, 2023. The Company also granted 4,600,000 RSU's to related parties and these will be expensed when vested.

Balances of $Nil (December 31, 2022 - $62,833) were due to related parties at June 30, 2023. Debts of $22,500 were settled via the issuance of 750,000 common shares in the June 2023 period.

Critical Accounting Policies and Estimates

The Company's significant accounting policies are disclosed in Note 3 to the financial statements for the period ended June 30, 2023. Certain of these policies require the use of estimates or assumptions that in some cases may relate to matters that are inherently uncertain. The Company did not adopt any new significant accounting policies or estimates during this quarter.

Financial Instruments and Other Instruments

The Company's financial instruments consist of cash and cash equivalents and accounts payable and accrued liabilities. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values.

Dependence on Key Employees

The Company's business and operations are dependent on retaining the services of a small number of key employees. The success of the Company is, and will continue to be, to a significant extent, dependent on the expertise and experience of these employees. The loss of one or more of these employees could have a materially adverse effect on the Company. The Company does not maintain insurance on any of its key employees.

Capital Management

The Company considers its capital to consist of shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the manufacture, distribution, and sale of the "PoolSafe". The Board does not establish quantitative return on capital criteria for Management, but rather relies on the expertise of the Company's Management to sustain future development of the business. Management will need to raise additional cash through a combination of equity and debt, to finance current and future operations, as the Company is not yet self-sustaining.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no significant changes in the Company's approach to capital management in the period ended June 30, 2023. The Company is not currently subject to externally imposed capital requirements.

Off-Balance Sheet Arrangements

To the best of management's knowledge, there are no off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company.

Risk Management

The Company has risk management processes in place to monitor, evaluate and manage the principal risks it assumes in conducting its business activities. These risks include credit, liquidity, interest rate, and various sources of operational risk. The Company's approach to the management of risk has not changed.

Outlook and Economic Conditions

The Company's principal objective is a continuation of managed growth developing quality new business opportunities while maintaining high development standards. The Company is well positioned to capitalize on market opportunities and to meet increased competition through its experienced management and staff, coupled with its substantial capital and borrowing capacity. We continue to look for opportunities to introduce new product development.

The Company's operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, as evidenced by the recent outbreak of respiratory illness caused by COVID-19.

Cautionary Note Regarding Forward-Looking Statements

This MD&A contains certain "forward-looking information" as defined in applicable securities laws (collectively referred to herein as "**forward-looking statements**"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “budgeted”, “scheduled”, “estimates”, “continues”, “forecasts”, “projects”, “predicts”, “intends”, “anticipates” or “believes”, or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. The forward-looking statements in this MD&A speak only as of the date of this MD&A or the date specified in such statements.

Forward-looking statements are based upon certain assumptions and other important factors regarding present and future business strategies and the environment in which the Company will operate in the future, which could prove to be significantly incorrect. Forward-looking statements are inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company and/or its subsidiary to be materially different from those expressed or implied by such forward-looking statements.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary note. Accordingly, readers should not place undue reliance on forward looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

This MD&A contains forward-looking statements with respect to Pool Safe under the headings “Business Update”, “Liquidity”, and “Outlook”. These forward-looking statements, by their nature, involve risks and uncertainties that could cause actual results to differ materially from those contemplated by such statements, in particular, present financial market uncertainty. The Company has assumed that financing alternatives remain available, albeit with terms that are not as attractive as was the case prior to the current worldwide financial market uncertainty. The Company considers the assumptions on which these forward-looking statements are based to be reasonable at the time that they were prepared but cautions the reader that these assumptions regarding future events, many of which are beyond the control of management, may ultimately prove to be incorrect. Except as required by law, the Company does not intend, and assumes no obligation, to update the forward-looking statements contained herein.