Asiatel Outsourcing Inc.

Management's Discussion and Analysis

For the Three and Six months ended June 30, 2026

NOTICE TO READER

This Management's Discussion and Analysis ("MD&A") is prepared in the style contemplated by Form 51-102F1 and should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements and related notes for the three and six months ended June 30, 2026. This MD&A should be read together with the unaudited consolidated financial statements for the Period and the related notes (the "Financial Statements"), which have been prepared in accordance with the IFRS Accounting Standards.

Unless otherwise stated, all financial information in this MD&A is presented in Canadian Dollar (CAD).

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DATE OF MD&A

This MD&A is dated August 31, 2026.

This Interim Management's Discussion and Analysis – Quarterly Highlights ("MD&A") of Asiatel Outsourcing Inc. ("Asiatel" or the "Company") has been prepared as of August 31, 2026 and should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements and related notes for the three and six months ended June 30, 2026.

The financial statements have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board. Unless otherwise indicated, all amounts are expressed in Canadian dollars.

This MD&A has been prepared from the perspective of management and is intended to provide a balanced discussion of the Company's operations, financial performance, financial condition, liquidity and capital resources during the interim period.

Additional information concerning the Company is available under the Company's profile on SEDAR+.

FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information includes statements relating to the Company's business strategy, expansion of its Philippine operations, entry into the Canadian market, commercialization of artificial-intelligence-enabled products and services, diversification of its customer base, expected operating efficiencies, expected use of financing proceeds, and future liquidity requirements.

Forward-looking information is based on management's current expectations, estimates, assumptions and projections, including assumptions concerning customer demand, employee recruitment and retention, labor and operating costs, foreign exchange rates, availability of financing, successful integration of the Company's operations following the reverse takeover, regulatory approvals and the Company's ability to commercialize new technology.

Actual results may differ materially from those expressed or implied by the forward-looking information. Factors that could cause actual results to differ include customer concentration, related-party dependence, changes in customer volumes, increases in labour and recruitment costs, foreign exchange volatility, technology-development and commercialization risk, competition, cybersecurity and data-privacy risks, regulatory requirements, access to capital and general economic conditions.

Readers should not place undue reliance on forward-looking information. Except as required by applicable securities laws, the Company does not undertake to update forward-looking information.

1. BUSINESS OVERVIEW

The Company provides business process outsourcing ("BPO") and technology-enabled services primarily through its Philippine operating subsidiary, Asia Teleservices Inc. ("ATI"). Services include customer support, information technology support, digital marketing and remote staffing solutions.

On June 30, 2026, the Company completed a reverse takeover transaction involving Asiatel Outsourcing Ltd. and New Media Capital 2.0 Inc., formerly a capital pool company. Asiatel Outsourcing Ltd. was identified as the accounting acquirer, and its historical financial results are therefore reflected in the Company's consolidated financial statements for periods before completion of the transaction.

Upon completion of the transaction:

- the former shareholders of Asiatel Outsourcing Ltd. became the majority shareholders of the resulting issuer;
- the resulting issuer was renamed Asiatel Outsourcing Inc.;
- the Company ceased to be a capital pool company;
- the Company's common shares subsequently commenced trading on the TSX Venture Exchange under the symbol "ATOI" on July 14, 2026; and
- the financial year end will be 31, Dec 2026 keeping in line with the Acquirer's Financial year end.

The Company's principal strategic priorities are:

1. developing business opportunities in Canada and other markets;
2. diversifying its customer base;
3. commercializing technology and AI-enabled solutions; and
4. expanding its offshore delivery capacity in the Philippines.

2. SIGNIFICANT DEVELOPMENTS

2.1 Completion of Reverse Takeover

On June 30, 2026, New Media Capital 2.0 Inc. completed its acquisition of 100% of the issued and outstanding ordinary shares of Asiatel Outsourcing Ltd. as its qualifying transaction, subsequently rebranding the combined public entity as Asiatel Outsourcing Inc. (TSXV: ATOI) (The "Company") whose operating entity is Asiatel Teleservices Inc. and referred to as ATI. In consideration for the acquisition, New Media issued 40,000,000 post-consolidation common shares (or special warrants automatically convertible into common shares at no additional cost) directly to the target's shareholders. To facilitate the reverse takeover structure, New Media implemented a 1-for-2 share consolidation and completed a concurrent private placement financing, issuing an additional 5,000,000 post-consolidation units (composed of one share and one purchase warrant) to raise $1,000,000 in gross proceeds. Following the closing of the deal and advisory share issuances, Asiatel shareholders held the primary equity stake in the consolidated company, which commenced trading on the TSX Venture Exchange with 49,618,500 common shares outstanding.

The Company will have a revised year end period of December 31 instead of the original March 31. As such, this reporting period is Q2 as opposed to Q1 with a reference to Q1 numbers.

2.2 Corporate Continuation

Subsequent to the end of the reporting period, on July 20, 2026, the Company completed its continuation from Alberta into British Columbia under the *Business Corporations Act* (British Columbia). The continuation did not change the Company's underlying business operations.

2.3 Management and Board Changes

In connection with completion of the reverse takeover, the board of directors was reconstituted and is comprised of:

- Jasjit Singh Anand;
- Shafi Aboobaker;
- Shane Weir;
- John Da Costa; and
- Samantha Frampton.

Jasjit Singh Anand was appointed Chief Executive Officer, and Randa Kachkar was appointed Chief Financial Officer and Corporate Secretary.

3. FINANCIAL PERFORMANCE

3.1 Comparative Results of Operations for the Three and Six Months Ended June 30, 2026 and 2025

	3-mos ended June 30, 2026	3-mos ended June 30, 2025	Increase (Decrease)	Percentage
ACCOUNT				
Service revenue	2,678,625	2,218,830	459,795	21%
Cost of services	-2,310,586	-2,000,524	-310,062	15%
Gross Profit	**368,039**	**218,306**	**149,733**	**69%**
Gross Margin	**14%**	**10%**		
General administrative expenses	-690,927	-120,109	-570,818	475%
Listing expense	-898,191	0	-898,191	0%
Interest income	6,339	148	6,191	4183%
Unrealized ForEx Gain (Loss)	5,112	-304	5,416	-1782%

Income Before Income Tax	**-1,209,628**	**98,041**	**-1,307,669**	**-1334%**
Current	-13,471	-36,654	23,183	-63%
Deferred	0	-4,256	4,256	-100%
	-13,471	**-40,910**	**27,439**	**-67%**
Net Income (Loss)	**-1,223,099**	**57,131**	**-1,280,230**	**-2241%**

	6-mos ended June 30, 2026	February 6 to June 30, 2025*	Increase (Decrease)	Percentage
ACCOUNT				
Service revenue	5,136,082	3,395,126	1,740,956	51%
Cost of services	-4,442,760	-2,860,554	-1,582,206	55%
Gross Profit	**693,322**	**534,572**	**158,750**	**30%**
Gross Margin	**13%**	**16%**		
General administrative expenses	-1,096,807	-185,363	-911,444	492%
Listing expense	-898,191	0	-898,191	0%
Interest income	6,584	232	6,352	2738%
Unrealized ForEx Gain (Loss)	14,695	0	14,695	0%
Income Before Income Tax	**-1,280,397**	**349,441**	**-1,692,838**	**-466%**
Current	-13,647	-36,902	23,255	-63%
Deferred	0	-4,285	4,285	-100%
	-13,647	**-41,187**	**27,540**	**-67%**
Net Income	**-1,294,044**	**308,254**	**-1,602,298**	**-520%**

** The comparative figures for the period from February 6 to June 30, 2025 relate exclusively to Asia Teleservices, Inc. (ATI Philippines), the operating entity, as Asiatel Outsourcing Ltd. (AOL Cayman) did not generate any operating revenue during this period. Cost of services for the comparative period is lower than normal because AOL acquired ATI on February 17, 2025. Accordingly, rental expense, salaries for the first half of February, and other operating costs incurred by ATI prior to the acquisition date are excluded from the comparative figures.*

For the six-month period ended June 30, 2026, the Company reported a consolidated net loss of $1.29 million, representing an unfavorable variance of $1.60 million or 520% lower compared to the consolidated net income of $308,254 recorded in the corresponding period of the previous year. The decline in financial performance was primarily attributable to transactions and listing-related expenses associated with the completion of the RTO transaction and the Company's listing on the TSXV, including the recognition of an $898,191 non-recurring listing expense, together with higher general and administrative expenses.

3.1.1 Revenue

Service revenue for the six months ended June 30, 2026 was $5.14 million, compared with $3.40 million for the corresponding period in 2025. The increase of $1.74 million, or 51%, was principally attributable to higher service volumes from existing customers with approximately 5% generated through existing client programs in Canada.

Approximately 91.5% of the Company's revenue was derived from services provided to ATHL.

3.1.2 Cost of Services and Gross Profit

Cost of Services
For the six-month period ended June 30, 2026, total cost of services amounted to $4.44 million, equivalent to 87% of total revenues. This represents an increase of $1.58 million or 55%, compared to $2.86 million in the prior year. Cost of services primarily consist of direct personnel costs, employee benefits, telecommunications expenses, software costs, rent, and other direct operating expenses incurred in delivering the Company's outsourcing services.

Personnel costs remained the largest component of cost services, representing approximately 97% of total cost of services during the six-month period ended June 30, 2026, reflecting the labor-intensive nature of the Company's outsourcing business. The increase in cost of services was generally consistent with the growth in service revenues as the Company expanded its operations to meet higher customer demand. Key drivers for the period are as follows:

- **Personnel costs** increased to $4.30 million from $2.75 million in the corresponding period of 2025, representing an increase of $1.54 million or 56%. The increase was primarily driven by higher direct labor costs resulting from increased service volumes, workforce expansion, and additional personnel required to support the growth of the Company's outsourcing operations.
- **Rent expense** increased to $46,299 from $22,976 in the comparative period, representing an increase of $23,323 or 102%. The increase in rent-related expenses in 2026 was primarily attributable to the adoption of IFRS 16, whereby lease costs are recognized as amortization of right-of-use assets and interest expense on lease liabilities rather than being recorded entirely as rent expense. Also, to other related occupancy costs.
- **Other direct operating costs** increased to $88,740 from $54,994 in the corresponding period of 2025, representing an increase of $33,746 or 61%. The increase was mainly attributable to higher direct operating expenses incurred in supporting the delivery of services, including software, operational support, and other service-related costs associated with increased business activity.

Gross Profit
For the six-month period ended June 30, 2026, gross profit increased by $158,750, or 30%, to $693,322, compared with $534,572 in the prior-year period. However, gross margin decreased to 13% from 16%, as cost of services increased at a faster rate than revenue. The lower margin primarily reflects higher personnel and other direct service delivery costs associated.

Note on Accounting Presentation: Effective this quarter, the Company has refined its presentation of costs. Core employee fixed costs, which do not scale linearly with client volume, are now classified within General and Administrative expenses rather than Cost of Services. This reclassification provides a more accurate reflection of the direct variable costs associated with service delivery.

3.1.3 General and Administrative Expenses

For the six-month period ended June 30, 2026, General and Administrative Expenses totaled $1.10 million, reflecting an increase of $911,444 or 492% from $185,363 in the same period of 2025. The increase was primarily driven by the following:

- **Professional fees** increased to $399,411 from $29,945 in the corresponding period of 2025, representing an increase of $369,466 or 1,234%. The increase was primarily attributable to advisory, legal, accounting, audit, and consulting fees incurred in connection with the Company's RTO transaction and its listing on the TSXV which was completed on June 30, 2026. These costs were largely one-time in nature and related to the completion of the transaction.
- **Personnel costs** increased to $424,831 from $69,423 in the prior-year period, representing an increase of $355,408 or 512%. The increase primarily reflects the Company's refined cost presentation, under which core employee fixed costs that do not scale directly with client volume are now classified within General and Administrative Expenses rather than Cost of Services.
- **Other administrative expenses** increased to $165,022 from $22,116 in the corresponding period of 2025, representing an increase of $142,906 or 646%. The increase was primarily driven by costs associated with the RTO transaction and public listing, share-based compensation expense, software subscriptions, technology development, marketing, travel, lease costs, and other corporate operating expenses incurred during the Company's transition to becoming a publicly listed company.

Out of the total general and administrative expenses, $489,353 relates to the Company's listing expenses, consisting primarily of legal and consultancy fees incurred in connection with the RTO transaction. As the RTO was completed on June 30, 2026, and given that these expenses are non-recurring in nature, the Company expects these expenses to decrease substantially in future periods.

3.1.4 Listing Expense

The Company recognized a non-cash listing expense of $898,191 in connection with the completion of the RTO. The listing expense is non-recurring and was not related to the Company's ongoing BPO operations.

This brings the aggregate listing-related expenditures of the Company to $1.39 million comprising $489,353 of listing-related general and administrative expenses and an $898,191 listing expense recognized upon completion of the RTO.

3.1.5 Net Income or Loss

The Company reported a net loss of $1.29 million for the six months ended June 30, 2026, compared with net income of $308,254 in the corresponding period in 2025.

The period-over-period decrease was primarily attributable to:

- the $1.39 million aggregate listing-related expenditures;
- lower gross profit despite increased revenue; and
- higher general and administrative expenses.

4. FINANCIAL CONDITION, LIQUIDITY, AND CAPITAL RESOURCES

	As at Jun 30, 2026	As at Dec 31, 2025	Increase (Decrease)	Percentage
Assets				
Cash and Cash Equivalent	1,094,209	414,726	679,483	164%
Trade and Other Receivable	299,774	209,810	89,964	43%
Other current assets	39,624	9,319	30,305	325%
Total Current Asset	**1,433,607**	**633,855**	**799,752**	**126%**
Property and equipment	341,578	401,053	-59,475	-15%
Refundable deposit	56,289	56,398	-109	0%
Long term receivable	0	0	0	0%
Investment in subsidiary (ATI)	0	0	0	0%
Deferred income tax	36,056	36,126	-70	0%
Total Noncurrent Asset	**433,923**	**493,577**	**-59,654**	**-12%**
Total Assets	**1,867,530**	**1,127,432**	**740,098**	**66%**
Liabilities				
Trade and other payables	485,888	191,350	294,538	154%
Lease liability - current portion	68,223	126,680	-58,457	-46%
Income tax payable	0	8,521	-8,521	-100%
Due to a related party	0	265,999	-265,999	-100%
Total Current Liabilities	**554,111**	**592,550**	**-38,439**	**-6%**
Net retirement liability	120,689	146,573	-25,884	-18%
Loans payable to a related party - non-current	137,504	0	137,504	0%

Lease liability - noncurrent portion	111,438	111,654	-216	0%
Other non-current liabilities	0	0	0	0%
Total Noncurrent Liabilities	**369,631**	**258,227**	**111,404**	**43%**
Total Liabilities	**923,742**	**850,777**	**72,965**	**9%**

Equity				
Capital stock	1,887,443	143	1,887,300	1319790%
Other comprehensive losses	-21,892	-21,892	0	0%
Equity Reserves	7,648	-60,432	68,080	-113%
Retained Earnings	-1,201,615	92,428	-1,294,043	-1400%
Share premium	266,408	266,408	0	0%
Cumulative Translation adjustment	5,796	0	5,796	0%
Total Equity	**943,788**	**276,655**	**667,133**	**241%**
Total Liabilities and Equity	**1,867,530**	**1,127,432**	**740,098**	**66%**

As of June 30, 2026, the Company's total assets stood at $1.87 million, reflecting an increase of $740,098 or 66% from $1.13 million as of December 31, 2025. This movement was primarily due to an increase in current assets by $799,752 or 126%.

The increase in current assets was mainly driven by cash and cash equivalents, which increased by $679,483, from $414,726 as at December 31, 2025 to $1.09 million as at June 30, 2026. The increase was primarily supported by the $1.00 million proceeds from the private placement financing completed in connection with the RTO transaction, partially offset by cash used during the period for operating and other activities. Management believes that existing cash resources, expected operating cash flows, and available financing resources will be sufficient to fund planned operations, capital requirements, and anticipated expenditures for at least the next twelve months,

As of June 30, 2026, the Company's total non-current liabilities amounted to $369,631, representing an increase of $111,404 or 43% from $258,227 as of December 31, 2025. The increase was primarily attributable to the recognition of a non-current loan payable to a related party of $137,504, representing amounts payable to ATHL, which was classified as non-current as of March 31, 2026.

As at June 30, 2026, the Company's total shareholders' equity amounted to $943,788, compared to $276,655 as at December 31, 2025, representing an increase of $667,133 or 241%.

The increase was primarily attributable to the completion of the RTO transaction on June 30, 2026 and the related private placement financing. For accounting purposes, AOL was identified as the accounting acquirer and ATOI as the accounting acquiree. Accordingly, the transaction was accounted for as a reverse acquisition in accordance with IFRS 3 – Business Combinations. As ATOI did not constitute a business as defined under IFRS 3, the transaction was accounted for as the acquisition of a group of assets rather than a business combination.

Following completion of the RTO, the Company's equity was reconstructed to reflect the legal capital structure of ATOI. Share capital increased to $1.89 million from $143 as at December 31, 2025, primarily reflecting the $1.0 million private placement, the reverse acquisition accounting adjustment, and the issuance of advisory shares.

The excess of the fair value of the deemed consideration over the fair value of the identifiable net assets acquired from ATOI was recognized as a non-recurring listing expense. As a result, the Company reported a retained earnings deficit of $1.20 million as at June 30, 2026. No goodwill or other intangible assets were recognized as a result of the transaction.

As at June 30, 2026, current assets totaled $1.43 million, while current liabilities totaled $554,111, resulting in working capital of $879,496.

Management believes current resources are sufficient to fund planned operations for the next twelve months, supported by the $1.0M capital raised during the concurrent financing.

Summary of Quarterly Result
The following sets out a summary of the Company's quarterly results for the 2 most recently completed quarters. All period listed below were prepared in accordance with IFRS.

Period	Net Loss	Loss per Share
June 30, 2026	(1,294,044)	(0.032)
March 31, 2026	(70,945)	(0.002)

5. RELATED-PARTY TRANSACTIONS AND CUSTOMER CONCENTRATION

ATHL is a related party and accounted for approximately 91.5% of the Company's revenue during the six months ended June 30, 2026.

The material concentration risk arising from the Company's dependence on ATHL is mitigated by the fact that AOL and ATHL are under common ownership.

6. OUTLOOK AND PRIORITIES

Management's priorities for the remainder of 2026 are as follows:

Improve gross margins through workforce utilization and operating efficiencies
The Company continues to focus on improving gross margins through enhanced workforce utilization and operating efficiencies. During the first half of 2026, the Company established its senior management core team to support its current and anticipated operations. As the organization expands, management expects a greater proportion of incremental hiring requirements to be

concentrated in frontline and service delivery personnel rather than senior management positions. Accordingly, management believes that additional new customer onboarding should result in improved gross margins.

Expand Philippine delivery operations in response to customer demand
The Company is evaluating alternatives to expand its Philippine service delivery capacity in response to existing and anticipated customer demand. Management is currently assessing options that would provide approximately 50 additional service delivery seats, with the objective of supporting near-term operational requirements while maintaining flexibility in its expansion plans. The administrative team has been tasked with evaluating available alternatives, with a final decision to be made by management upon completion of the assessment.

Diversify the Company's customer base through higher-value service offerings
Historically, the Company's customer base has primarily consisted of small and medium-sized enterprises and growth-stage companies. As part of its evolving business model, the Company is expanding its service offerings beyond traditional business process execution toward higher-value, expertise-driven solutions. This strategy has resulted in the development of two business verticals: Knowledge Process Outsourcing ("KPO") and Asiatel Digital.

These verticals are intended to broaden the Company's addressable market by targeting mid-sized corporations and larger corporate clients whose requirements align with specialized knowledge-based and technology-enabled services. Management is currently engaged in discussions with several prospective customers across these business lines. Consistent with enterprise-oriented service offerings, management expects sales cycles for KPO and Asiatel Digital opportunities to generally be longer than those typically associated with traditional BPO engagements.

Develop the Company's Canadian digital go-to-market strategy
Canada represents a strategic market within the Company's international growth initiatives. Following its listing on TSXV, the Company has commenced the implementation of a Canadian digital go-to-market strategy intended to increase market awareness and generate qualified business opportunities within the region.

As part of this initiative, the Company engaged Ascendant Arrow to develop and implement a digital demand generation program focused initially on the Company's established BPO service offerings, with the intention of subsequently supporting the promotion of KPO and Asiatel Digital services as those business verticals continue to develop. The strategy is expected to incorporate digital marketing channels such as LinkedIn, Google Ads, and organic search engine optimization (SEO), together with account-based marketing initiatives directed toward selected enterprise accounts. The Company also expects to recruit a Canada-based account executive to support lead conversion and business development activities as the program progresses.

Advance the commercialization of technology and AI-enabled services
The Company is advancing the commercialization of its technology and AI-enabled service offerings through Asiatel Digital. During the period, the Company appointed a business leader dedicated to developing this business vertical and supporting the commercialization of enterprise technology solutions.

The initial focus of this initiative is the commercialization of the Company's fileAI alliance in the Philippines, which is intended to introduce enterprise AI and document intelligence capabilities to prospective customers. Management anticipates that enterprise technology opportunities will bring larger contract values compared to the BPO business.

Key growth drivers include:

- **Digital GTM Strategy**
  A structured digital acquisition function is now being rolled out in the Canadian market, using the Company's website, Google Ads, and LinkedIn to generate demand for BPO and KPO service lines. This effort builds on the Company's broader managed GTM services, which pair local market expertise with business development, demand generation, and sales enablement to support client acquisition without requiring in-country operations.

- **Three-Engine Model**
  Operations are increasingly organized around three integrated engines. Asiatel BPO remains the execution layer, covering business operations support, employer-of-record, remote staffing, and shared services. Building on this foundation, Asiatel KPO as the expertise layer houses specialized Centers of Excellence spanning engineering, cybersecurity, AI operations, finance, and investor relations, while Asiatel Digital as the AI-enabled transformation layer commercializes enterprise AI and technology offerings, including the Company's alliance with fileAI, and packages repeatable client workflows into productized service lines. Management views this structure as a pathway toward higher-margin, less commoditized delivery over the medium term.

- **SaaS Expansion**
  Managed go-to-market services for international SaaS providers entering Southeast Asia were launched in August 2026. Initially focused on North American growth-stage and mid-market software companies, the offering combines local market expertise, business development, demand generation, sales enablement, and commercial execution, enabling clients to establish a regional presence without immediately setting up dedicated in-country operations.

7. SUBSEQUENT EVENTS

Subsequent to June 30, 2026:

- the Company's common shares commenced trading on the TSX Venture Exchange under the symbol "ATOI" on July 14, 2026;
- the Company continued from Alberta into British Columbia on July 20, 2026; and
- the Company launched its AI solutions and market entry services on August 20, 2026.

8. APPROVAL

This Interim MD&A – Quarterly Highlights was reviewed and approved by the Board of Directors/Audit Committee of the Company.