



Management's Discussion and Analysis

For the three months ended March 31, 2026 and 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

BASIS OF PRESENTATION AND DESCRIPTION OF THE COMPANY

The following Management's Discussion and Analysis ("MD&A") of the financial condition and results of operations for Cleantek Industries Inc. ("Cleantek" or the "Company" which includes references to "we", "our", "us", "its"), is a review of the operations, current financial position and condition for the three months ended March 31, 2026 ("Q1 2026") and March 31, 2025 ("Q1 2025") and should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements for the three months ended March 31, 2026 and the audited consolidated financial statements for the years ended December 31, 2025 and 2024 ("Annual Financial Statements"). All amounts are in thousands of Canadian dollars unless otherwise indicated.

The condensed consolidated interim financial statements of Cleantek have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*, using accounting policies consistent with IFRS Accounting Standards as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee. This MD&A and the unaudited condensed consolidated interim financial statements of Cleantek have been prepared by management and approved by the board of directors (the "Board") as of May 21, 2026.

Cleantek, headquartered in Calgary, Alberta, is an innovative provider of patented, clean technology solutions focused on reducing both cost and carbon intensity in the wastewater management and industrial lighting sectors across North America. Cleantek is a publicly traded company listed on the TSX Venture Exchange (the "TSXV") under the trading symbol CTEK.

READER ADVISORIES

This MD&A contains forward-looking statements and references financial measures not defined under IFRS, included to assist readers in comparing metrics to those disclosed by industry peers. This MD&A should be read in conjunction with the "Non-IFRS Measurements" and "Forward-Looking Information" sections at the end of this document.

COMPANY OVERVIEW AND STRATEGY

Cleantek Industries Inc. ("Cleantek" or the "Company") is a patented technology company generating revenue across three streams: equipment rentals, field services, and equipment sales. The Company serves blue-chip exploration and production companies, mining operators, and industrial contractors across Canada, the United States, and international markets. Cleantek's product portfolio includes its HALO sustainable lighting systems, EcoSteam and CleanSteam wastewater dehydration units, DZeroE produced water evaporation systems, light towers, and SecureTek remote security solutions. The Company's business model is anchored by recurring rental and service income generated through long-term customer relationships, supplemented by equipment sales to domestic and international buyers.

For the three months ended March 31, 2026, the Company generated total revenue of \$3,514, Adjusted EBITDA of \$1,001, and net income of \$217. Rental and service revenue of \$3,349 continued to represent the substantial majority of total revenue, reflecting the durability of Cleantek's recurring deployment model and its established North American customer base. Equipment sales of \$165 were consistent with the anticipated timing of international deliveries and installations expected to ramp through Q2 and Q3 2026. Operating cash flow of \$598 demonstrated continued conversion of earnings into cash.

The most significant development in Q1 2026 was the commencement of manufacturing under the HALO International Program, the Company's contract to supply and install up to 60 HALO SE Crown Mount lighting systems to an international customer in the United Arab Emirates (the "HALO International Program"). Awarded in January 2026, the HALO International Program represents the largest single international contract in the Company's history. No revenue has been recognized in the period consistent with the Company's IFRS 15 revenue recognition policy. Manufacturing activities advanced on schedule during the quarter. On-site installation activities were temporarily paused due to regional conditions, with the Company maintaining ongoing communication with its in-region partners throughout the period. Installations have resumed and revenue recognition is anticipated to commence in late Q2 2026, continuing through Q3 2026.

Cleantek's near-term strategic priorities include executing on international contract deliveries, sustaining and expanding its North American rental base, advancing the EcoSteam fleet conversion program, and evaluating strategic acquisition opportunities that would expand its fleet, diversify its revenue streams, and leverage its existing tax pools and operational infrastructure. Management believes the Company's combination of proprietary technology, established rental infrastructure, and growing international commercial presence positions Cleantek to grow materially beyond the \$13,765 in revenue generated in fiscal 2025, and that executing on this growth strategy positions the Company to access broader capital markets over time.

HIGHLIGHTS FOR THE FIRST QUARTER 2026

- Cleantek generated revenue of \$3,514 for Q1 2026, reflecting steady core rental activity as the Company directed operational focus toward manufacturing and advancing the HALO International Program. Equipment sales were \$165 in the period, with installations underway and revenue recognition anticipated to commence in late Q2 2026 upon completion of testing and sign-off;
- Cleantek's gross profit was \$2,075, or 59% of revenue, for Q1 2026, compared with gross profit of \$2,346, or 63% of revenue, for Q1 2025. The margin variance reflects increased direct costs associated with the ramp-up of international contract manufacturing activities during the quarter;
- Cleantek's net income was \$217 for Q1 2026, with the Company remaining profitable through a period of deliberate investment in international execution capacity; and,
- Cleantek's Adjusted EBITDA was \$1,001 for Q1 2026, compared to \$1,266 for Q1 2025, with the variance largely attributable to the cost profile of scaling for international deliveries. Management

expects Adjusted EBITDA to strengthen materially as installations advance and revenue is recognized under the HALO International Program through Q2 and Q3 2026.

FINANCIAL AND OPERATIONAL HIGHLIGHTS

<i>(Canadian \$000's, except per share amounts)</i>	Three months ended March 31		
	2026	2025	Change
Revenue	3,514	3,705	(191)
Gross profit	2,075	2,346	(271)
Gross profit percentage	59%	63%	(4%)
Net income	217	449	(232)
Net income per share – basic	\$0.01	\$0.02	\$(0.01)
Net income per share – diluted	\$0.01	\$0.01	\$(0.00)
EBITDA ⁽¹⁾	978	1,193	(215)
Adjusted EBITDA ⁽¹⁾	1,001	1,266	(265)
Capital expenditures	415	685	(270)

(1) Management uses EBITDA and Adjusted EBITDA as supplementary financial measures in evaluating operating performance and the Company's ability to generate cash flows. EBITDA is calculated as net income before finance costs, income taxes, and depreciation and amortization. Adjusted EBITDA is EBITDA further adjusted for share-based compensation, foreign exchange gains and losses on remeasurement of foreign currency monetary items, litigation expenses and settlements, executive severance, gains and losses on disposal of long-lived assets arising from involuntary or non-recurring events, and gains on debt forgiveness. Effective for the year ended December 31, 2025, the Company revised its definition of Adjusted EBITDA to exclude gains and losses on disposal of long-lived assets and gains on debt forgiveness, which were previously included in the measure, with comparative figures re-presented accordingly. Working capital is calculated as current assets less current liabilities. Non-current debt is the non-current portion of long-term debt and lease liabilities. These measures do not have standardized meanings under IFRS and may not be comparable to similar measures presented by other issuers. See the Non-IFRS Measurements section of this MD&A for further discussion and reconciliations.

EXPANSION AND OUTLOOK

Cleantek's commercial model is built on delivering technology solutions that reduce operating costs and improve efficiency across industrial operations. That strategy continued to gain traction through the first quarter of 2026, with the Company advancing manufacturing on the largest international contract in its history while sustaining its core North American rental base.

The Company's near-term priorities continue to be:

- Maximizing utilization rates of its current fleet of sustainable lighting solutions and wastewater treatment assets;
- Expanding and growing the Company's fleet of wastewater treatment assets to satisfy increased demand in the oil and gas, midstream, mining, industrial, and construction markets;
- Executing on the delivery and installation of up to 60 HALO SE Crown Mount lighting systems under the Company's HALO International Program, with installations underway and revenue recognition anticipated to commence in late Q2 2026 and continue through Q3 2026;
- Advancing its presence in international markets by expanding sales and rental activity of sustainable lighting and wastewater solutions;
- Evaluating new technology partnerships to diversify product offerings and customer groups; and,
- Evaluating acquisition and merger opportunities to augment growth and market diversification.

Cleantek enters the balance of 2026 with a contracted international revenue catalyst in active execution, a rental fleet systematically upgraded through the EcoSteam program, and the mounting international momentum. The Company expects net income to strengthen materially as installations advance and revenue is recognized under the HALO International Program through Q2 and Q3 2026.

International expansion

International equipment sales of \$165 in Q1 2026 reflect a period of active manufacturing, as the units under the HALO International Program are underway at the Company's Crossfield, Alberta facility. Revenue recognition is anticipated to commence in late Q2 2026 and continue through Q3 2026. The HALO International program is expected to represent the largest single-contract revenue event in the Company's history, marking a significant milestone in the execution of Cleantek's international growth strategy. Further detail on the geographic breakdown of revenue and non-current assets is provided in Note 8 of the interim consolidated financial statements.

EcoSteam

The Company continued to advance its EcoSteam conversion program through Q1 2026. Converted units operate on natural gas or waste gas, eliminating diesel consumption and materially reducing emissions relative to predecessor technology. Customer response to the converted fleet has been positive, and the EcoSteam platform positions Cleantek to capture a growing share of demand from operators prioritizing emissions reduction and lower total cost of ownership in their wastewater management programs. The Company is actively pursuing larger-scale EcoSteam project opportunities, which management expects will contribute to fleet expansion and revenue growth in 2026 and beyond.

HALO crown mount

The HALO SE Crown Mount is Cleantek's flagship sustainable lighting solution and the primary driver of the Company's rental revenue across its North American operations. Designed to replace conventional diesel-powered light towers, the HALO SE Crown Mount delivers superior illumination coverage while eliminating fuel consumption and reducing emissions at the point of use, providing a compelling value proposition to operators facing increasing pressure to reduce both operating costs and environmental footprint.

Domestic HALO deployments remained stable through Q1 2026, supported by the Company's established relationships with blue-chip exploration and production companies, mining operators, and industrial contractors. The HALO platform's performance in North American operations has been instrumental in establishing Cleantek's credibility as a supplier to major international oil and gas operators, culminating in the award of the HALO International Program in January 2026.

Management views the HALO SE Crown Mount as a scalable platform with meaningful runway for both domestic fleet growth and international expansion. The successful execution of the HALO International Program is expected to serve as a reference deployment for future international opportunities, reinforcing Cleantek's position as a credible supplier of sustainable lighting solutions to major global energy operators.

Strategic acquisitions

Cleantek's organic growth strategy is complemented by an active evaluation of acquisition opportunities that can expand the Company's product offering, customer base, or geographic reach. Management's acquisition criteria prioritize targets that generate recurring revenue, operate in sectors aligned with Cleantek's existing customer relationships, and can be integrated without materially increasing the Company's overhead structure. Priority considerations include targets with meaningful tax pools, complementary fleet assets, and operational synergies that enhance the Company's existing service offering.

The Company views strategic acquisitions as a potential accelerant to its growth agenda. Management believes that executing on this strategy positions the Company to access broader capital markets over time, including a potential uplisting to the Toronto Stock Exchange, which would expand access to institutional capital, broaden the investor base, and enhance the Company's profile with potential

international customers and partners. Management continues to evaluate opportunities in this regard and will pursue transactions that it believes will create long-term shareholder value.

No acquisitions were completed during the three months ended March 31, 2026. The Company will provide disclosure in accordance with applicable securities laws upon entering into any definitive agreements.

RESULTS OF OPERATIONS

Cleantek's operating model is designed to generate durable earnings across varying activity levels. The Company's recurring rental base provides a stable revenue foundation, while its lean cost structure and disciplined overhead management protect margins through periods of investment and transition. Q1 2026 reflects both of those qualities: stable core operations running in parallel with significant preparation activity for a contracted revenue event that management expects to be transformative for the Company's scale.

Revenue

<i>(Canadian \$000's)</i>	Three months ended March 31		
	2026	2025	Change
Rentals and services	3,349	3,427	(78)
Equipment sales	165	278	(113)
Total revenue	3,514	3,705	(191)

Revenue was \$3,514 for the three months ended March 31, 2026, compared to \$3,705 in Q1 2025, a decrease of \$191 or 5%. Rental and service revenue of \$3,349 remained consistent with the prior year comparative period of \$3,427, reflecting continued utilization across the HALO and EcoSteam fleets and the durability of the Company's North American customer base. Equipment sales of \$165 decreased from \$278 in Q1 2025, consistent with the anticipated timing of the HALO International Program. The period-over-period revenue variance reflects timing rather than underlying demand, as the Company enters Q2 2026 with installations underway under the HALO International Program, with full execution and revenue recognition anticipated to commence in late Q2 2026.

Direct operating expenses

<i>(Canadian \$000's)</i>	Three months ended March 31		
	2026	2025	Change
Salaries and wages	743	767	(24)
Repairs and maintenance	143	115	28
Transportation and mobilization	272	273	(1)
Cost of goods sold	38	57	(19)
Other direct costs	243	147	96
Total direct operating expenses	1,439	1,359	80
% of revenue	41%	37%	4%
Gross profit	2,075	2,346	(271)
% of revenue	59%	63%	-4%

Direct operating expenses include salaries, wages, and other labour costs directly attributable to field operations; repairs and maintenance of rental equipment; transportation and mobilization costs associated with delivering and retrieving equipment from customer sites; cost of goods sold on equipment sales; and other direct field costs.

Direct operating expenses were \$1,439, or 41% of revenue, for the three months ended March 31, 2026, compared to \$1,359, or 37% of revenue, in Q1 2025, an increase of \$80. The period-over-period variance reflects higher other direct costs of \$243, up \$96 from Q1 2025, driven by manufacturing and preparation activities in support of the HALO International Program and expanded domestic deployment activity across

Canada and the United States, as well as higher repairs and maintenance of \$143, up \$28, consistent with the growing size of the rental fleet. These increases were partially offset by lower cost of goods sold of \$38, down \$19, reflecting reduced equipment sales activity in the period. Salaries and wages of \$743 and transportation and mobilization of \$272 were broadly consistent with the prior year comparative period.

General and administrative expenses

<i>(Canadian \$000's)</i>	Three months ended March 31		
	2026	2025	Change
Salaries and wages	620	638	(18)
Professional fees	177	231	(54)
Other general and administrative expenses	266	215	51
General and administrative expenses	1,063	1,084	(21)
% of revenue	30%	29%	1%

General and administrative expenses were \$1,063 for the three months ended March 31, 2026, compared to \$1,084 in Q1 2025, a decrease of \$21. The variance reflects a \$54 reduction in professional fees and broadly stable salaries and wages of \$620, partially offset by a \$51 increase in other general and administrative costs. Overall, the Company's overhead structure remained disciplined in the quarter, and management continues to focus on containing the fixed cost base as the revenue base grows.

EBITDA and adjusted EBITDA.

Management uses EBITDA and Adjusted EBITDA as supplementary financial measures to evaluate operating performance and the Company's ability to generate cash flows independent of capital structure and non-cash charges. EBITDA is defined as net income before finance costs, income taxes, and depreciation and amortization. Adjusted EBITDA is EBITDA further adjusted for share-based compensation, foreign exchange gains and losses on remeasurement of foreign currency monetary items, and items that are episodic and not indicative of recurring earnings capacity, including gains and losses on disposal of long-lived assets, gains and losses on right-of-use asset terminations, litigation expenses and settlements, executive severance, and gains on debt forgiveness. These measures do not have standardized meanings under IFRS and may not be comparable to similar measures presented by other issuers and should not be considered in isolation or as substitutes for performance measures prepared in accordance with IFRS.

<i>(Canadian \$000's)</i>	Three months ended March 31		
	2026	2025	Change
Net income	217	449	(232)
Depreciation and amortization	524	506	18
Finance costs	223	216	7
Tax expense	14	22	(8)
EBITDA	978	1,193	(215)
Share-based compensation	36	26	10
Foreign exchange (gains) losses on remeasurement of foreign currency monetary items	(13)	6	(19)
Gain on disposal of long-lived assets	-	41	(41)
Legal settlement and severance	-	-	-
Adjusted EBITDA	1,001	1,266	(265)

EBITDA was \$978 for the three months ended March 31, 2026, compared to \$1,193 in Q1 2025, a decrease of \$215, reflecting lower gross profit partially offset by broadly stable operating expenses and a modest increase in depreciation and amortization.

Adjusted EBITDA was \$1,001 for the three months ended March 31, 2026, compared to \$1,266 in Q1 2025, a decrease of \$265 or 21%. The period-over-period variance reflects the cost profile of a quarter in

which the Company directed significant resources toward international contract execution and domestic fleet expansion, with the associated costs recognized ahead of revenue. Higher other direct costs and repairs and maintenance compressed gross margins, while foreign exchange contributed a \$19 favourable swing relative to Q1 2025. The absence of disposal gains recognized in Q1 2025 of \$41 accounts for a further portion of the variance. Management views the Q1 2026 Adjusted EBITDA profile as transitional and expects material recovery as revenue is recognized under the HALO International Program commencing in Q2 2026. Adjusted EBITDA margin was 28% for Q1 2026 compared to 34% in Q1 2025.

Depreciation and amortization

<i>(Canadian \$000's)</i>	Three months ended March 31		
	2026	2025	Change
Depreciation and amortization	524	506	18

Depreciation is recognized on property and equipment and right-of-use assets on a straight-line basis over their estimated useful lives. Rental equipment is depreciated over two to twenty-five years depending on asset type and condition. Amortization is recognized on the Company's intangible assets, which consist primarily of patents.

Depreciation and amortization was \$524 for the three months ended March 31, 2026, compared to \$506 in Q1 2025, an increase of \$18, reflecting depreciation on EcoSteam conversion assets and HALO Crown Mount additions placed into service during the period, as well as depreciation recognized by the Company's United States subsidiary on assets transferred effective December 31, 2025. Depreciation attributable to the United States subsidiary is denominated in USD and translated to CAD for consolidation purposes, introducing a foreign exchange translation component to the period-over-period variance.

Share-based compensation expense

<i>(Canadian \$000's)</i>	Three months ended March 31		
	2026	2025	Change
Share-based compensation	36	26	10

Cleantek operates equity-settled share-based compensation programs designed to align management and employee interests with those of shareholders and to attract and retain qualified personnel in a competitive labour market.

The Company's Omnibus Long-Term Incentive Plan authorizes the granting of stock options, restricted share units ("RSUs"), and deferred share units ("DSUs") to employees, officers, directors, and service providers. As at March 31, 2026, the Company had 1,542,500 options, 205,000 RSUs, and 300,000 DSUs outstanding. See Note 7 of the interim consolidated financial statements for a full description of the Omnibus Plan terms and vesting conditions.

Share-based compensation expense was \$36 for the three months ended March 31, 2026, compared to \$26 in Q1 2025. The \$10 increase reflects the continued vesting of stock option grants made in 2024 and 2025. RSU grants under the Company's share-based compensation program were made through 2023, with all outstanding RSUs having vested and been issued as of April 30, 2026. No further RSU issuances are anticipated under the existing program. The expense is non-cash and is added back in the calculation of Adjusted EBITDA.

Finance costs

<i>(Canadian \$000's)</i>	Three months ended March 31		
	2026	2025	Change
Interest on bank operating line	14	22	(8)
Interest on long-term debt	164	155	9
Amortization of deferred financing fees	11	10	1
Accretion of discount on promissory note	10	11	(1)
Interest on lease liabilities	20	18	2
Interest on financed insurance premiums	4	-	4
Total finance costs	223	216	7

Finance costs consist of interest on the Royal Bank of Canada ("RBC") operating line and Business Development Bank of Canada ("BDC") term and manufacturing facilities, amortization of deferred financing fees, accretion of the discount on the vendor promissory note, interest on lease liabilities, and interest on financed insurance premiums.

Finance costs were \$223 for the three months ended March 31, 2026, compared to \$216 in Q1 2025, an increase of \$7. Interest on the RBC operating line decreased \$8 to \$14, reflecting lower average balances on the facility during the period. Interest on long-term debt increased \$9 to \$164, reflecting incremental interest on BDC manufacturing facility drawdowns as the Company continued to fund EcoSteam conversions and HALO fleet additions, partially offset by the benefit of scheduled principal repayments on the BDC term loan. Amortization of deferred financing fees and accretion of the promissory note discount were consistent with the prior year comparative period. Interest on lease liabilities increased \$2 to \$20, reflecting the current lease liability balance. Interest on financed insurance premiums of \$4 was recognized in the current period, with no comparative amount in Q1 2025. Cash interest paid in the quarter was \$198.

Gains, losses, and other expense (income):

<i>(Canadian \$000's)</i>	Three months ended March 31		
	2026	2025	Change
Gain on disposal of long-lived assets	-	41	(41)
Foreign exchange (gain) loss	(2)	5	(7)
Other expense (income)	(0)	(3)	3

No gains or losses on disposal of long-lived assets were recognized in Q1 2026, as no asset dispositions occurred in the period. The Q1 2025 comparative of \$41 reflected dispositions in the normal course of fleet optimization.

Net foreign exchange gain of \$2 was recognized for the three months ended March 31, 2026, compared to a loss of \$5 in Q1 2025, a favourable variance of \$7. The balance comprises primarily translation differences on USD-denominated monetary items. Following the intragroup restructuring completed effective December 31, 2025, intercompany balances have been formalized under a structured USD-denominated promissory note which is eliminated at the consolidated level, with translation differences recognized in other comprehensive income as cumulative translation adjustment rather than through net income. This restructuring is expected to materially reduce foreign exchange volatility in net income in future periods.

Other income of nil was recognized in Q1 2026, compared to other income of \$3 in Q1 2025. Neither period reflects items of a significant or non-recurring nature.

Income taxes

<i>(Canadian \$000's)</i>	Three months ended March 31		
	2026	2025	Change
Current tax expense	14	22	(8)
Deferred tax expense	-	-	-
Total tax expense	14	22	(8)

Income taxes consist of current and deferred income taxes. Current income taxes arise primarily from the taxable income of Apollo Lighting Solutions Inc. ("APL") in the United States.

The Company's US operations are subject to federal income tax at a rate of 21.68% and are limited to applying prior year tax losses against a maximum of 80% of current year taxable income, resulting in a current tax accrual even in periods where cumulative losses exist. In Canada, the Company has significant unrecognized deferred tax assets arising from accumulated losses; no deferred tax expense or recovery is recognized in Canada as recovery of these assets is not currently considered probable.

Current income tax expense of \$14 was accrued for the three months ended March 31, 2026, based on estimated taxable income of the US subsidiary, compared to \$22 in Q1 2025, a decrease of \$8. The reduction reflects the impact of the intragroup asset transfer completed effective December 31, 2025, under which assets were transferred to APL, increasing the depreciable asset base at the US entity level. The resulting incremental depreciation reduces APL's estimated taxable income in the current and future periods, providing a tax efficiency that better aligns the asset base with the entity generating the associated revenue. As APL has substantially utilized its accumulated tax losses, this structural change is expected to provide ongoing relief against US current tax accruals. In Canada, the Company continues to carry significant unrecognized tax losses against which no recovery is currently recognized.

Net income

<i>(Canadian \$000's)</i>	Three months ended March 31		
	2026	2025	Change
Net income	217	449	(232)

Net income for the three months ended March 31, 2026 was \$217, compared to \$449 in Q1 2025, a decrease of \$232. The variance is primarily attributable to lower gross profit of \$271, reflecting higher other direct costs associated with manufacturing and preparation activities in support of the HALO International Program and expanded domestic deployment activity, as well as higher repairs and maintenance consistent with the growing rental fleet. These were partially offset by a \$21 reduction in general and administrative expenses, a favourable \$7 swing in foreign exchange results, and an \$8 reduction in current tax accruals.

The Q1 2025 comparative also included a \$41 gain on disposal of long-lived assets with no equivalent in the current period, accounting for a portion of the period-over-period variance. Excluding this item, the decline in underlying net income was \$191, reflecting a quarter in which significant resources were directed toward international contract execution ahead of revenue recognition. Management expects net income to strengthen materially as installations advance and revenue is recognized under the HALO International Program through Q2 and Q3 2026.

CAPITAL EXPENDITURES

<i>(Canadian \$000's)</i>	Three months ended March 31		
	2026	2025	Change
Rental equipment additions and assets under construction	214	685	(471)
Automotive	201	-	201
Office equipment	-	-	-
Total capital expenditures	415	685	(270)

Cleantek invested \$415 in capital expenditures during the three months ended March 31, 2026, compared to \$685 in Q1 2025, a decrease of \$270. Rental equipment and assets under construction additions of \$214 reflect continued investment in the HALO Crown Mount fleet, EcoSteam conversion program, and solar hybrid battery systems. Automotive additions of \$201 comprised vehicle acquisitions to support field operations capacity, with no comparable expenditure in Q1 2025. Capital expenditures represent amounts capitalized to property and equipment and assets under construction. Costs transferred to inventory upon completion are excluded and recognized through cost of goods sold upon satisfaction of applicable performance obligations.

SUPPLEMENTAL QUARTERLY INFORMATION

The table below summarizes Cleantek's quarterly financial and operational highlights for the eight quarters ended March 31, 2026.

<i>(Canadian \$000's except per share amounts)</i>	2026 Q1	2025 Q4	2025 Q3	2025 Q2	2025 Q1	2024 Q4	2024 Q3	2024 Q2
Revenue	3,514	3,426	3,282	3,352	3,705	2,927	2,779	2,411
Gross profit	2,075	1,954	1,889	1,782	2,346	1,835	1,729	1,285
Gross profit %	59%	57%	58%	53%	63%	63%	62%	53%
Net income (loss)	217	595	353	(457)	449	1,466	(212)	(512)
Net income (loss) per share- basic (\$)	\$0.01	\$0.02	\$0.01	\$(0.02)	\$0.02	\$0.05	\$(0.01)	\$(0.02)
Net income (loss) per share - diluted (\$)	\$0.01	\$0.02	\$0.01	\$(0.02)	\$0.02	\$0.05	\$(0.01)	\$(0.02)
EBITDA ⁽¹⁾	978	1,330	1,135	278	1,193	2,298	553	309
Adjusted EBITDA – previously reported ⁽¹⁾	-	-	-	-	-	1,762	971	258
Adjusted EBITDA - revised ⁽¹⁾	1,001	1,531	985	778	1,266	1,214	1,004	228
Total assets	15,011	14,485	14,516	14,537	15,192	13,641	12,907	13,410
Working capital deficit ⁽¹⁾	835	(482)	(919)	(1,242)	(1,028)	(1,939)	(2,901)	(3,184)
Non-current debt ⁽¹⁾	7,581	6,788	7,145	7,493	7,525	7,085	7,120	7,381
Total non-current liabilities	7,581	6,788	7,145	7,493	7,525	7,085	7,166	7,427

(1) These items are not defined and have no standardized meaning under IFRS. Please see the Non-IFRS Measurements section of this MD&A for further discussion of these items, and where applicable, reconciliations to measures calculated in accordance with IFRS.

Cleantek's results exhibit seasonal patterns consistent with the broader oilfield services sector. Activity levels in the oil and gas industry tend to be strongest in the first and fourth quarters, when winter conditions in Western Canada increase demand for lighting and heating solutions and operators accelerate programs before spring break-up. Q2 and Q3 results are typically softer, reflecting reduced drilling and completion activity during warmer months and the spring road ban period.

Revenue ranged from \$2,411 to \$3,705 across the eight quarters presented, with Q1 2025 representing the strongest quarter at \$3,705 and Q2 and Q3 reflecting normal seasonal softness. Q4 2025 revenue of \$3,426 improved year over year from \$2,927 in Q4 2024, supported by continued rental activity and international equipment sales.

Gross profit margin has been relatively consistent, ranging from 53% to 65%, with the modest compression observed in 2025 relative to 2024 reflecting the deliberate shift in revenue mix toward international equipment sales as discussed in the Results of Operations section.

Net income has been impacted by non-recurring items in several quarters. The Q4 2024 result of \$1,466 was disproportionately influenced by the \$518 gain on debt forgiveness and favourable foreign exchange

movements, while Q2 and Q3 2024 reflected losses associated with the CEO transition and foreign exchange movements. The 2025 quarters reflect a more normalized earnings profile absent comparable non-recurring items, with Q4 2025 net income of \$595 representing the strongest quarter of the year.

Adjusted EBITDA on a revised basis has trended positively, improving from a range of \$228 to \$1,214 across the 2024 quarters to \$778 to \$1,531 in 2025. Q1 2026 Adjusted EBITDA of \$1,001 reflects the transitional cost profile of the period and compares to \$1,266 in Q1 2025. Working capital improved to a surplus of \$835 at March 31, 2026, compared to a deficit of \$(482) at December 31, 2025, primarily reflecting the build of prepaid assets and inventory associated with upfront material procurement for the HALO International Program, as well as a significant reduction in the bank operating line balance, partially offset by higher current portion of long-term debt.

CONSOLIDATED LIQUIDITY AND CAPITAL RESOURCES

Cleantek's capital resources consist of cash generated from operations, a revolving operating line of credit with RBC, and term and manufacturing debt facilities with BDC. The Company's capital management objective is to maintain sufficient liquidity to service debt obligations, fund fleet investments, and support contracted growth initiatives, while preserving covenant headroom and managing leverage within lender-defined parameters. The Company's assets are encumbered as follows: RBC holds a first charge on accounts receivable, and BDC holds a first charge on fixed assets. The primary levers available to management for capital structure adjustment are operating cash flow generation, selective asset disposals, and access to equity capital markets.

The following table sets out the components of Cleantek's capital structure as at March 31, 2026 and December 31, 2025:

<i>(Canadian \$000's)</i>	March 31, 2026	December 31, 2025
Current assets	5,168	4,554
Current liabilities	4,333	5,036
Working capital (deficit)	835	(482)
Long-term debt – non-current	6,973	6,087
Lease liabilities – non-current	608	701
Shareholders' equity	3,097	2,661
	(3,649)	(4,609)

At March 31, 2026, Cleantek had current assets of \$5,168 and current liabilities of \$4,333, resulting in a working capital surplus of \$835, compared to a deficit of \$(482) at December 31, 2025. The \$1,317 improvement reflects the build of prepaid assets and inventory associated with upfront material procurement for the HALO International Program, as well as a significant reduction in the bank operating line balance from \$1,046 to \$245, partially offset by a higher current portion of long-term debt. Non-current debt, comprising the non-current portions of long-term debt and lease liabilities, increased to \$7,581 at March 31, 2026, from \$6,788 at December 31, 2025, reflecting net drawdowns on the BDC manufacturing facility to fund fleet additions and contract-related capital expenditures during the quarter. Shareholders' equity increased to \$3,097 from \$2,661, driven by net income of \$217 and the foreign currency translation adjustment of \$183 recognized in other comprehensive income during the quarter.

Debt and credit facilities

Debt and credit facilities are comprised of the following:

<i>(Canadian \$000's)</i>	March 31, 2026	December 31, 2025
Current debt		
Bank operating line	245	1,046
Long-term debt		
BDC loans	8,080	7,181
Loans payable	307	149
Promissory notes	456	460
	8,843	7,790
Current portion of long-term debt		
BDC loans	1,743	1,621
Loans payable	107	63
Promissory notes	20	19
	1,870	1,703
Non-current portion of long-term debt		
BDC loans	6,337	5,560
Loans payable	200	86
Promissory notes	436	441
	6,973	6,087

The following table displays the movements in long-term debt during the period:

<i>(Canadian \$000's)</i>	2026
Balance at January 1	7,790
Proceeds of long-term debt	1,418
Payments on long-term debt	(554)
Interest on long-term debt	164
Amortization of deferred financing fees	11
Accretion on promissory note	10
Foreign exchange adjustments	4
Balance at March 31	8,843

Bank operating line

As at March 31, 2026, the Company had borrowing capacity of \$1,849 (December 31, 2025 – \$2,111) under the facility. The decrease in available capacity reflects a lower accounts receivable balance at March 31, 2026, as the borrowing base is calculated as a percentage of eligible receivables.

Borrowings under the operating line bear interest at the Royal Bank of Canada (“RBC”) prime rate plus 1%. The facility is secured by the Company’s accounts receivable and is payable on demand.

The operating line is subject to financial covenants, including:

- i. Funded Debt to Adjusted EBITDA ratio of not more than 3.0 to 1.0 on a trailing twelve-month basis; and
- ii. Fixed Charge Coverage ratio of not less than 1.1 to 1.0.

For covenant purposes, EBITDA is defined as earnings before interest expense, income taxes, depreciation and amortization, adjusted for certain non-cash and non-recurring items as defined in the lending agreement. Adjusted EBITDA includes adjustments for gains or losses on sale of assets, deferred taxes, extraordinary items and other non-cash items permitted under the lending agreement.

For covenant purposes, Funded Debt includes interest-bearing indebtedness, including the operating line, long-term debt and lease liabilities. The Fixed Charge Coverage ratio is calculated as Adjusted EBITDA divided by debt service obligations, including principal repayments and finance costs related to debt and lease liabilities, for the trailing twelve-month period.

As at March 31, 2026, the Company was in compliance with all covenants under the facility.

Effective March 30, 2026, the Company entered into a separate revolving demand facility of \$1,390 available for letters of credit and letters of guarantee. As at March 31, 2026, no amounts had been drawn or issued under the facility.

BDC loans

<i>(Canadian \$000's)</i>	March 31, 2026	December 31, 2025
BDC term loan	5,539	5,803
BDC manufacturing financing facility	2,719	1,567
Deferred financing costs	(178)	(189)
	8,080	7,181
Current portion of BDC loans	1,743	1,621
Non-current portion of BDC loans	6,337	5,560

BDC term loan

On December 21, 2023, the Company entered into a non-revolving term loan agreement with the Business Development Bank of Canada ("BDC") providing for a single advance of \$7,200.

The term loan originally matured on May 20, 2030, and included an initial six-month interest-only period, after which blended monthly payments of \$127 for principal and interest commenced. On September 24, 2024, the Company executed an amendment providing two additional interest-only months in October and November 2024. Blended monthly payments of \$127 resumed in December 2024, and the maturity date was extended to July 10, 2030.

The loan bears interest at a fixed rate of 8.20% per annum for the initial three-year term, after which the rate will be renegotiated.

The term loan is secured by the fixed assets of the Company and its subsidiary. The facility includes a financial covenant requiring a Fixed Charge Coverage ratio of not less than 1.1 to 1.0, measured commencing December 31, 2024. The Fixed Charge Coverage ratio is calculated on the same basis as described for the Company's operating line of credit. As at March 31, 2026, the Company was in compliance with this covenant.

BDC manufacturing facility

On July 25, 2024, the Company entered a manufacturing financing facility with the Business Development Bank of Canada providing for borrowings of up to \$4,000 to finance the manufacture or purchase of additional rental equipment.

Advances under the facility are based on up to 125% of eligible invoices submitted to BDC and may be drawn up until the lapse date of July 25, 2026, after which any undrawn portion will be cancelled.

The facility bears interest at BDC's floating base rate plus 0.45%. At March 31, 2026, the applicable rate was 7.00% (December 31, 2025 – 7.00%). The loan was interest-only until July 28, 2025, with blended principal and interest payments commencing August 28, 2025. The facility matures on June 28, 2031.

The manufacturing financing facility is secured by a general security agreement over the fixed assets of the Company and its subsidiary and is subject to a financial covenant requiring a Fixed Charge Coverage

ratio of not less than 1.1 to 1.0, commencing December 31, 2024. The Fixed Charge Coverage ratio is calculated on the same basis as for the BDC Term Loan and the operating line of credit. The Company was in compliance with this covenant as at March 31, 2026, and December 31, 2025.

As at March 31, 2026, \$2,970 had been drawn under the facility since inception (December 31, 2025 – \$1,734), with \$2,719 outstanding after scheduled repayments (December 31, 2025 – \$1,567).

Loans payable

<i>(Canadian \$000's)</i>	March 31, 2026	December 31, 2025
Term loans payable – Vehicles	307	149
Current portion of loans payable	107	63
Non-current portion of loans payable	200	86

Cleantek entered into loan agreements to finance the purchase of vehicles for use by field operations staff in servicing rental equipment. The loans are secured by the related vehicles, bear interest at fixed rates of 3.99 % to 8.99% per annum (December 31, 2025 – 3.99% to 8.99%) and have terms ranging from 36 to 60 months (December 31, 2025 – 48 to 60 months).

Promissory note

<i>(Canadian \$000's)</i>	March 31, 2026	December 31, 2025
Vendor promissory note	1,045	1,045
Unamortized discount (contra)	(589)	(585)
	456	460
Current portion of promissory note	20	19
Non-current portion of promissory note	436	441

In January 2021, the Company entered into an agreement with a vendor to convert an outstanding accounts payable balance of \$1,045 into an unsecured promissory note (the “Vendor Promissory Note”). The Vendor Promissory Note is non-interest bearing, repayable in monthly instalments of \$5, and matures upon the earlier of a change of control, a liquidity event, or such time as the Company has sufficient financial capacity to repay the outstanding principal. The note was initially recognized at its fair value, discounted using an effective interest rate of 9.00%.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any special purpose entities or off-balance sheet arrangements and is not a party to any arrangements that could have a current or future material effect on its financial condition, revenues or expenses, results of operations, liquidity, capital expenditures, or capital resources.

SHARE CAPITAL

The following table sets out Cleantek’s outstanding Common Shares and dilutive equity instruments as at March 31, 2026 and December 31, 2025:

	March 31, 2026	December 31, 2025
Common shares	29,315,377	29,315,377
Stock options	1,542,500	1,542,500
RSUs	205,000	205,000
DSUs	300,000	300,000
Warrants	500,000	500,000
Total outstanding securities	31,862,877	31,862,877

As of the date of this MD&A, Cleantek had 29,315,377 Common Shares outstanding.

RELATED PARTY BALANCES AND TRANSACTIONS

Related party transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Key management personnel comprise the Company's executive officers and members of the Board of Directors.

Executive loan facility

In connection with the September 5, 2024 private placement for gross proceeds of \$150, the Company provided an unsecured executive loan of \$50 to the President and Chief Executive Officer to facilitate participation in the offering. The loan bears interest at the CRA prescribed rate, subject to quarterly adjustment. The maturity date was extended to December 31, 2026 pursuant to an amendment dated November 11, 2025. The full outstanding balance is classified as current and presented within other assets on the consolidated statement of financial position.

Management compensation

Key management personnel comprise the Company's executive officers and members of the Board of Directors. Compensation paid to key management personnel during the period was consistent with the terms of existing employment and consulting arrangements.

COMMITMENTS AND CONTINGENCIES

Contractual obligations and commitments

The following table summarizes the expected timing of cash outflows relating to financial liabilities, lease liabilities, and other commitments as at March 31, 2026:

<i>(Canadian \$000's)</i>	Carrying amount ⁽¹⁾	< 1 year	2 to 3 years	4 to 5 years	Thereafter	Contractual outflows
Financial liabilities						
Accounts payable and accrued liabilities	1,800	1,800	-	-	-	1,800
Bank operating line ⁽⁵⁾	245	245	-	-	-	245
Long-term debt ⁽²⁾						-
BDC loans ⁽³⁾	8,258	2,179	4,345	3,181	133	9,838
Loans payable	307	124	178	37	-	339
Promissory notes	456	60	120	120	465	765
	11,066	4,408	4,643	3,338	598	12,987
Lease liabilities and other commitments						
Lease liabilities	1,026	487	749	38	-	1,274
Other operating and capital commitments ⁽⁴⁾	-	162	107	1	-	270
	1,026	649	856	39	-	1,544
Total contractual obligations	12,092	5,057	5,499	3,377	598	14,531

(1) Includes the current and non-current portions.

(2) Amounts include principal and interest portions, except for the Bank Operating Line.

(3) Carrying amount excludes deferred financing charges of \$178. Amounts are based on term loan balances including principal and interest based on the three-year fixed rate assuming rate is maintained for the duration of the loan.

(4) Includes leased property operating cost and property tax commitments.

(5) Operating line is interest only and both the loan balance and the rate are variable. The Bank Operating line is a demand loan and is considered current as a result.

Total contractual obligations of \$14,531 reflect financial liabilities of \$12,987, comprising accounts payable and accrued liabilities of \$1,800, the RBC operating line of \$245, and long-term debt contractual outflows of \$10,942 across BDC term and manufacturing facilities of \$9,838, vehicle loans of \$339, and vendor promissory notes of \$765, together with lease liabilities and other operating and capital commitments of \$1,544.

Near-term obligations falling due within one year total \$5,057, of which \$245 relates to the RBC operating line which is separately classified as current given its demand nature. The remaining \$4,812 is expected to be funded through operating cash flows and available capacity under the RBC operating line. Long-term debt repayments are weighted toward the two-to-three-year window, with \$5,499 due in that period and \$3,377 in the four-to-five-year period, consistent with the maturity profiles of the BDC facilities.

Litigation and claims

The Company is involved in litigation and claims arising in the ordinary course of business. Management has assessed these matters and determined that they are not expected to have a material impact on the Company's consolidated financial position or results of operations.

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE

Cleantek is committed to operating safely, ethically, and sustainably. The Company maintains active environmental, health, and safety ("EHS") programs including field worker monitoring, third-party EHS audits, and comprehensive safety training aligned with applicable regulatory requirements and customer standards. Cleantek's executive team places the highest priority on workforce safety and environmental stewardship, and these commitments are embedded in its hiring, procurement, and subcontractor selection processes.

The Board provides oversight of Cleantek's safety and sustainability performance, including review of EHS policies, assessment of regulatory compliance, and evaluation of the Company's approach to workforce wellbeing, environmental impact, and community engagement. Management reports to the Board on safety and sustainability matters on a regular basis.

RISK ASSESSMENT

Cleantek is subject to risks, some common to all businesses and others specific to the oilfield services and clean technology sectors. A comprehensive discussion of the risks and uncertainties facing the Company is provided in the MD&A for the year ended December 31, 2025, which is available on SEDAR+ at www.sedarplus.ca. The following risks are highlighted given their particular relevance to the current period or represent changes in the Company's risk profile since the annual MD&A was filed.

Business risks

International operations risk

The Company is currently executing the HALO International Program, its largest international contract to date, involving the manufacture and installation of up to 60 HALO SE Crown Mount units for a customer in the United Arab Emirates. Execution of the HALO International Program introduces risks related to logistics, personnel mobilization, and the performance of in-region commercial partners. The ongoing regional conflict has resulted in temporary mobilization delays, which the Company is actively managing in coordination with its in-region partners. The Company's installation model utilizes scheduled rig downtime and maintenance windows, providing operational flexibility; however, there can be no assurance that an escalation of hostilities will not adversely affect the Company's ability to execute on the anticipated timeline. Any material failure to execute the HALO International Program as anticipated could have a material adverse effect on the Company's revenue, results of operations, and cash flows.

Trade policy and tariff risk

The United States government has implemented tariffs on Canadian goods, and the Government of Canada has introduced retaliatory measures in response. This evolving trade environment has created disruption to cross-border economic activity and may have direct and indirect adverse effects on the Company, including increased costs of components and equipment sourced across the Canada-United States border, reduced capital spending by the Company's oil and gas customers, or reduced demand for the Company's services. Implementation of further tariff measures or retaliatory actions by either government could impose additional costs on the Company or otherwise adversely affect its business, financial condition, results of operations, and cash flows. The Company continues to monitor this situation; however, many of these factors remain outside of its control.

Liquidity risk

Liquidity risk is managed through operating cash flow and available credit facilities. As at March 31, 2026, \$245 was drawn on the RBC operating line against borrowing capacity of \$1,849 (December 31, 2025 — \$1,046 drawn against capacity of \$2,111). Management expects cash on hand, available credit facilities, and operating cash flows to be sufficient to meet the Company's obligations for at least the next twelve months.

Interest rate risk

Interest rate risk arises from the Company's variable-rate borrowings under the RBC operating line and BDC manufacturing facility. A 1% change in interest rates would impact net income by approximately \$30.

ACCOUNTING STANDARDS, CHANGES AND PRONOUNCEMENTS

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. A summary of the Company's significant accounting policies is set out in Note 3 of the Annual Financial Statements.

Future accounting pronouncements

In May 2024, the IASB issued Amendments to IFRS 9 – Financial Instruments, and IFRS 7 – Financial Instruments: Disclosures relating to the classification and measurement of financial instruments. The amendments clarify the classification and measurement of financial instruments, including, the timing of derecognition of financial assets and liabilities, and related enhanced disclosure requirements.

The amendments are effective for annual reporting periods beginning on or after January 1, 2026, with early adoption permitted. The amendments are to be applied retrospectively, with specific transition reliefs. The Company has not early adopted these amendments. Management is currently assessing the potential impact of the amendments on the Company's consolidated financial statements, including the classification and measurement of financial assets and liabilities and the related disclosure requirements.

In April 2024, the IASB issued IFRS 18 – Presentation and Disclosure in Financial Statements, which replaces IAS 1 – Presentation of Financial Statements, effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The new standard sets out the requirements for presentation and disclosures in the financial statements. Management is currently assessing the impact the standard will have on the consolidated financial statements.

CRITICAL ACCOUNTING ESTIMATES, JUDGMENTS AND ASSUMPTIONS

The preparation of financial statements requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues, and expenses. Significant areas of estimation uncertainty include the useful lives and residual values of property and equipment, the measurement of warranty provisions, the realizability of

deferred tax assets, and the assessment of expected credit losses on accounts receivable. A full discussion of the Company's critical accounting estimates, judgments, and assumptions is set out in Note 2 of the Annual Financial Statements for the year ended December 31, 2025. There have been no material changes to the use of estimates during the year.

NON-IFRS MEASUREMENTS

Cleantek uses certain financial measures referred to in this MD&A to quantify its results that are not prescribed by IFRS. The following terms: "EBITDA", "adjusted EBITDA", "working capital" and "noncurrent debt" are not recognized measures under IFRS and may not be comparable to that reported by other companies. Cleantek believes that, in addition to measures prepared in accordance with IFRS, the non-IFRS measurements provide useful information to evaluate the Company's performance and ability to generate cash, profitability and meet financial commitments. These non-IFRS measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

FORWARD LOOKING STATEMENTS

Certain statements in this MD&A constitute forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable Canadian securities laws. All statements other than statements of historical fact are forward-looking statements and are identified by words or phrases such as "anticipates," "believes," "expects," "intends," "may," "plans," "will," "projects," or similar expressions suggesting future outcomes. Forward-looking statements in this MD&A include, without limitation, statements relating to:

- Expanding and growing the Company's fleet of wastewater treatment and industrial lighting assets to satisfy increased demand across the oil and gas, midstream, mining, industrial, and construction markets.
- The manufacture and installation of up to 60 HALO SE Crown Mount units under the HALO International Program, with installations underway and revenue recognition anticipated to commence upon completion of testing and sign-off in late Q2 2026, continuing through Q3 2026.
- The expectation that the HALO International Program will represent the largest single-contract revenue event in the Company's history.
- The recognition of revenue and associated costs under the HALO International Program in accordance with IFRS 15 as performance obligations are satisfied.
- The Company's ability to maintain compliance with financial covenants under its RBC and BDC credit facilities.
- The sufficiency of cash on hand, available credit facilities, and contracted revenue activity to meet the Company's obligations for at least the next twelve months.
- The expected reduction in foreign exchange volatility in consolidated net income following the intragroup restructuring completed effective December 31, 2025.
- The continued expansion of the EcoSteam conversion program and HALO fleet to support domestic and international demand.
- The Company's ability to collect outstanding receivables and manage credit risk.
- The Company's outlook for revenue growth and Adjusted EBITDA improvement in 2026.

Forward-looking statements are based on assumptions about future events, including assumptions regarding commodity prices, customer demand, exchange rates, the performance of international

distribution partners, the timing of equipment deliveries, and the Company's ability to maintain covenant compliance and access sufficient liquidity. Actual results could differ materially from those expressed or implied as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are outside the Company's control, including those described in the Risk Assessment section of this MD&A.

Although management believes that the expectations reflected in the forward-looking statements are reasonable, no assurance can be provided that such expectations will prove to be accurate. Forward-looking statements are made as of the date of this MD&A, and the Company undertakes no obligation to update or revise them as a result of new information, future events, or otherwise, except as required by applicable securities laws.

ADDITIONAL INFORMATION

Additional information regarding Cleantek and its business and operations can be obtained by contacting the Company at Cleantek Industries Inc., Suite 1210, 520 – 5th Avenue SW, Calgary, Alberta, Canada T2P 3R7 or by e-mail at info@cleantekinc.com. Additional information related to Cleantek is available on www.cleantekinc.com and on the Company's SEDAR profile at www.sedarplus.ca.