ENERGY PLUG TECHNOLOGIES CORP.
(Formerly VPN Technololgies Inc.)

FORM 51-102F1
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023

The following management discussion and analysis ("MD&A") has been prepared by management of Energy Plug Technologies Corp. (Formerly VPN Technololgies Inc.) ("Energy Plug" or the "Company") as of October 30, 2023, and should be read in conjunction with the audited consolidated financial statements of the Company and related notes for the year ended June 30, 2023. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All amounts are stated in Canadian dollars unless otherwise indicated.

CAUTIONARY NOTES FORWARD-LOOKING STATEMENTS

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, information with respect to the Company's future business plans and strategy. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" (or "does not expect"), "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" (or "does not anticipate"), or "believes", and other similar words and phrases, or which states that certain actions, events, or results "may", "could", "might", or "will" occur. Forward-looking information is based on assumptions and expectations which the Company considers are reasonable, and which are based on management's experience and its perception of trends, current conditions, and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made. Although the Company believes that the assumptions and expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on forward-looking information. The Company can give no assurance that forward-looking information, or the assumptions and expectations on which it is based, will prove to be correct. The Company does not undertake to revise or update any forward-looking information, except in accordance with applicable laws. Readers should not place undue reliance on forward looking information.

Forward-looking statements used in this MD&A are subject to various risks, uncertainties and other factors, most of which are difficult to predict and are generally beyond the control of the Company. These risks, uncertainties and other factors may include, but are not limited to, those set forth under "*Risks and Uncertainties*"".

OVERVIEW

Energy Plug Technologies Corp. was incorporated under the Business Corporations Act (*Ontario*) on September 13, 2010 and was continued under the laws of British Columbia on March 21, 2018. The Company's head office and registered office is located at Suite 400, 1681 Chestnut Street, Vancouver BC, V6J 4M6, Canada. The Company is a software company developing technology utilizing advanced algorithms and real-time data analysis to monitor Electric Vehicle (EV) charging stations as well as software development services and intelligent networking solutions for the Battery Energy Charging Systems (BESS) sector. The Company also, through its wholly-owned subsidiary, Greentech Hydrogen Innovations Corp. ("Greentech"), investigates opportunities in both the science for the purpose of commercialization and the development of products and services addressing the growth in a wide range of long-term hydrogen businesses related to global energy policy objectives and targets. The Company's common shares are listed on the Canadian Securities Exchange (the "CSE") under the symbol "PLUG", on the OTCQB under the symbol "DVPNF", and on the Frankfurt Stock Exchange under the symbol "6GQ1".

Greentech's Hydrogen-of-Things™ "(HoT") utilizes data collected from clusters of sensors distributed throughout the supply chain and leverages machine learning techniques to output yet unknown energy related findings. In June 2022, Greentech filed for patent provisioning of a novel proprietary "smart" IoT (Internet-of-Things) analytics technology being designed and developed for hydrogen producers, distributors and commercial end-users. The HoT offering has a multi-phased delivery of features and aims to balance a minimum service offering with massive data collection. Collected data is analysed using proprietary algorithms to determine a variety of new metrics such as distributed hydrogen production & availability, carbon impact, buyer/seller matchmaking along with staple metrics like tank temperature, pressure & flow. The platform depicts the data through unique images, charts, animation, infographics and is accessible to subscribers. Greentech intends to offer various levels of data access subscriptions, HoT device sales, licensing opportunities and potential revenue from fuel commissions. Greentech will operate the HoT device assembly, technology development, product distribution, device installation, technology licensing, sales, and support while Energy Plug will be the exclusive network provider for Greentech's cloud analytics monitoring service.

In September 2023, the Company entered into an agreement to acquire all of the issued and outstanding securities of True North Battery Storage Corp. ("True North"), a Canadian based company, by issuing 8,000,000 common shares and 8,000,000 share purchase warrants of the Company to True North. Each common share purchase warrant entitles the holder to purchase one common share of the Company at $0.10 for a period of 24 months from the date of issuance. True North has signed a letter of intent for cooperation with C-LiFe Technologies, Inc. ("C-LiFe"), a lithium iron phosphate batteries and Battery Energy Storage System (BESS) manufacturer in Taiwan, to establish a cooperation framework for a proposed lithium battery production enterprise in North America.

Established in 2009, C-LiFe has been a leader in the R&D and manufacturing of lithium iron phosphate battery cells and continues to advance the field of battery energy storage systems and products related to electric vehicles. C-LiFe has gained global recognition for its exceptional battery energy storage systems, with a customer base that includes top companies in Taiwan and Japan such as Hitachi, Japan Rail Nissan, Formosa, Nippon Steel, and Delta, demonstrating the trust and confidence industry leaders have placed in their advanced battery energy storage systems. In September 2020, C-LiFe obtained the multi-national patent "Lithium-ion secondary battery with high current discharge capacity" authorized by the Industrial Technology Research Institute (Patent No. I270994 of the Republic of China) and patents such as STOBA®, a high-temperature resistant fast charging material, for R&D and manufacturing Safer and more efficient lithium iron phosphate batteries. In 2022, the company completed its second-generation battery energy storage system design, and in January 2023, successfully installed a 1 MW energy storage system (20 ft container) at its factory.

Key activities:

- On October 31, 2022, the Company announced updates on the development of Greentech's hydrogen project. The Company is on track to meet the patent requirements including proof of concept, prototype and a forthcoming minimum viable product is slated for early 2023 upon completion of HoT patent filing.

- On November 8, 2022, the Company announced that Greentech has entered the prototype development phase of its HoT Smart Hydrogen Storage and Distribution Sensor Technology.

- On December 5, 2022, the Company announced that it started trading on the OTCQB under the symbol, "DVPNF" "DVPNF".

- On December 5, 2022, the Company announced the appointment of Bernard O'Brien as a member of the board of directors of the Company.

- On February 6, 2023, the Company announced the introduction of cutting-edge artificial intelligence (AI) and machine learning capabilities, complementing its existing suite of software development activities.

- On February 21, 2023, the Company announced that Greentech has completed the patent application of its HoT Smart Hydrogen Storage and Distribution Sensor Technology.

- On May 16, 2023, the Company announced that it has closed a non-brokered private placement of 15,900,000 units at a price of $0.05 per unit for gross proceeds of $795,000. Each unit is comprised of one common share and one common share purchase warrant; each warrant entitles the holder to acquire one additional common share for a period of 12 months at an exercise price of $0.075.

- On May 18, 2023, the Company announced that Greentech is set to apply the same innovative technology from its recent patent application of the novel hydrogen monitoring and distribution platform to encompass other energy related sources including electric vehicle (EV) charging stations.

- On May 26, 2023, the Company announced that it has engaged BullVestor Medien GmBH ("BullVestor") and its general manager Helmut Pollinger, both arm's-length parties to the company, to provide digital marketing services to the company for a total cost of $250,000.

- On September 1, 2023, the Company announced that it has entered into an agreement to acquire all of the issued and outstanding securities of True North Battery Storage Corp. ("True North"), a Canadian based company, by issuing 8,000,000 common shares and 8,000,000 share purchase warrants of the Company to True North. Each common share purchase warrant entitles the holder to purchase one common share of the Company at $0.10 for a period of 24 months from the date of issuance. The transaction was closed on September 19, 2023.

SELECTED ANNUAL INFORMATION

The following table sets out selected financial information for the Company which has been derived from the Company's audited financial statements for the fiscal years ended June 30, 2023, 2022 and 2021.

	Fiscal 2023 ($)	**Fiscal 2022** ($)	**Fiscal 2021** ($)
Revenues	-	-	13,765
Net income (loss)	(604,419)	(437,728)	(1,047,008)
Net income (loss) per share - basic and diluted	(0.02)	(0.01)	(0.05)
Total assets	866,323	612,808	1,098,667
Total non-current liabilities	-	-	-
Dividends	-	-	-

Factors That Affect the Comparability of the Annual Financial Data Disclosed Above

Net losses for the years ended June 30, 2023, 2022 and 2021 were mainly attributable to general administrative expenses (2023 - $620,974, 2022 - $466,212, 2021 - $1,087,888). The general operating expenses excluding share-based payment expenses for fiscal 2023, 2022 and 2021 were $615,599, $466,212, and $730,041, respectively. The increase in total assets in fiscal 2023 was due to equity financings completed for net proceeds of $852,029. There is no financing completed in fiscal 2022.

DISCUSSION OF OPERATIONS

During the year ended June 30, 2023, the Company reported a net loss of $604,419 compared to a net loss of $437,728 incurred in the year ended June 30, 2022. The loss in the fiscal 2023 relates primarily to general operating expenses of $$620,974 (2022 - $466,212), partially mitigated by a gain on reversal of accounts payable and accrued liabilities of $16,555 (2022 - $28,484).

The general operating expenses excluding share-based payment expenses for the year ended June 30, 2023 were $615,599 (2022 - $466,212). Some of the significant expense items are summarized as follows:

- Consulting fees of $82,188 (2022 - $23,938) relate to services from external business consultants on paralegal, business development and project investigation work.
- Management fees of $156,000 (2022 - $153,800) relate to fees to the Company's CEO and CFO.
- Marketing and promotion of $172,564 (2022 - $nil) relate digital marketing services provided by BullVestor.

- Research and development of $93,080 (2022 - $160,232) relate to fees to the Company's Chief Technology Officer and costs of materials and supplies for the Company's research projects.
- Transfer agent and regulatory filing fees of $39,590 (2022 - $53,451) relate mainly to filing fees with various regulatory bodies and stock exchanges.
- Travel of $33,310 (2022 - $nil) represents the costs of travel by consultants for corporate development activities.

Share-based payment expenses of $5,375 (2022 - $nil), a non-cash charge, are the estimated fair value of the stock options granted during the period. The Company used the Black-Scholes option pricing model for the fair value calculation.

SUMMARY OF QUARTERLY RESULTS

The following table sets forth selected unaudited financial information for the Company's eight most recent quarters ending with the last quarter for the three months ended on June 30, 2023.

	For the Three Months Ended							
	Fiscal 2023				Fiscal 2022			
	Jun. 30, 2023	Mar. 31, 2023	Dec. 31, 2022	Sept. 30, 2022	Jun. 30, 2022	Mar. 31, 2022	Dec. 31, 2021	Sept. 30, 2021
	($)	($)	($)	($)	($)	($)	($)	($)
Total revenues	-	-	-	-	-	-	-	-
Income (loss) from continuing operations	(325,128)	(100,828)	(98,170)	(80,293)	(145,555)	(138,700)	(69,627)	(83,846)
Net income (loss)	(325,128)	(100,828)	(98,170)	(80,293)	(145,555)	(138,700)	(69,627)	(83,846)
Income (loss) from continuing operations per share - basic and diluted	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)
Net income (loss) per share - basic and diluted	(0.01)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

FOURTH QUARTER

In the fourth quarter ended June 30, 2023, the Company incurred a net loss of $325,128 (2022 - $145,555). The loss in the fourth quarter of fiscal 2023 relates primarily to general operating expenses of $341,683 (2022 - $174,039), partially mitigated by a gain on reversal of accounts payable and accrued liabilities of $16,555 (2022 - $28,484). The general administrative expenses were generally consistent with the 2022 comparative period. Factors affecting the loss for the current quarter are similar to those explained under the "Discussion of Operations" Section.

LIQUIDITY AND CAPITAL RESOURCES

As at June 30, 2023, the Company had a cash balance of $711,179, an increase of $165,298 from the cash balance of $545,881 as at June 30, 2022. During the year ended June 30, 2023, the Company spent $656,374 (2022 - $516,036) in operating activities and $30,357 in intangible assets. The Company received $852,029 (2022 - $15,500) of net proceeds from issuance of common shares.

The Company had a working capital of $737,689 as at June 30, 2023 compared to a working capital of $510,240 as at June 30, 2022.

At present, the Company may not have sufficient capital resources to meet its anticipated operating requirements and project research and development for the next 12 months. The Company will continue to monitor the current economic and financial market conditions and evaluate their impact on the Company's liquidity and future prospects.

Going Concern

At present, the Company's operations do not generate cash flow and its financial success is dependent on management's ability to continue to raise adequate financing on reasonable terms and to commence profitable operations in the future. The aforementioned factors indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the balance sheets. The Company's financial statements do not include adjustments that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Amounts due to related parties consisted of the following:

		2023		2022
A company controlled by the CEO of the Company	$	1,285	$	-
A former director and Chief Technology Officer ("CTO")		-		48,500
Total	$	1,285	$	48,500

The amounts due to related parties have no specific terms of repayment, are unsecured, and non-interest bearing.

Included in receivables as of June 30, 2023 is $nil (2022 - $16,525) due from directors of the Company.

Key management personnel include directors (executive and non-executive) and officers of the Company. The compensation paid or payable to key management personnel during the years ended June 30 is as follows:

		2023		2022
Management fees	$	156,000	$	153,800
Consulting fees		29,138		23,938
Research and development		93,500		81,000
Share-based payments		5,375		-
Total	$	284,013	$	258,738

SUMMARY OF OUTSTANDING SHARE DATA

The Company's issued and outstanding share capital as at the date of this report is as follows:

(1) Authorized: Unlimited common shares without par value.
(2) As at October 30, 2023, the Company has 52,377,780 common shares, 3,400,000 stock options, and 48,598,860 warrants issued and outstanding.

FINANCIAL INSTRUMENTS

The carrying amount of cash, receivables, accounts payable and amounts due to related parties carried at amortized cost is a reasonable approximation of fair value due to the relatively short period to maturity of these financial instruments and/or the rate of interest being charged.

Financial risk management

The Company's financial risks arising from its financial instruments are credit risk, liquidity risk, foreign currency exchange risk, and interest rate risk. The Company's exposures to these risks and the policies on how to mitigate these risks are set out below. Management monitors and manages these exposures to ensure appropriate measures are implemented on a timely basis and in an effective manner.

Credit risk

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. The credit risk of the Company is associated with cash. The credit risk with respect to its cash is minimal as they are held with high-credit quality financial institutions. Management does not expect these counterparties to fail to meet their obligations.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its obligations associated with its financial liabilities as they fall due. As at June 30, 2023, the Company has current assets of $840,787 and current liabilities of $103,098. The Company's financial liabilities include accrued expenses and trade and other payables and accrued fees due to related parties which have contractual maturities of 30 days or are due on demand.

At present, the Company's operations do not generate positive cash flows. The Company's primary source of funding has been the issuance of equity securities through private placements and advances from related parties. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings.

Foreign currency exchange risk

Foreign currency exchange risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company does not have any material transactions denominated in foreign currency and is not exposed to material foreign currency risk. The Company does not hedge its foreign exchange risk.

Interest rate risk

The Company is exposed to interest rate risk arising from cash held in Canadian financial institutions. The interest rate risk on cash is not considered significant due to its short-term nature and maturity. The Company has not used any financial instrument to hedge potential fluctuations in interest rates.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the period. Actual results could differ from these estimates. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. Significant areas requiring the use of management estimates include:

i) The determination of the fair value of stock options using stock option pricing models, requires the input of highly subjective assumptions, including the expected share price volatility. Changes in the subjective input assumptions could materially affect the fair value estimate.

ii) The determination of deferred income tax assets or liabilities requires subjective assumptions regarding future income tax rates and the likelihood of utilizing tax carry-forwards. Changes in these assumptions could materially affect the recorded amounts.

RISKS AND UNCERTAINTIES

The following is a description of important factors that may cause the Company's actual results of operations in future periods to differ materially from those currently expected or discussed in the forward-looking statements set forth in this report relating to its financial results, operations and business prospects. Except as required by law, the Company undertake no obligation to update any such forward-looking statements to reflect events or circumstances after the date of this MD&A. These risks include, but are not limited to the following:

Lack of profitability concerns

The Company has incurred substantial losses since its inception and has not generated revenue in excess of its expenses. The Company expects to incur net losses and negative cash flows during its research and development phase, and losses and negative cash flows may continue past this phase as the Company will need to earn significant revenues in order to cover the costs that will arise with commercialization such as production, marketing, and additional personnel expenses. The Company may not ever achieve profitability. Even if the Company does achieve profitability, it may not be able to sustain it.

Inability to Raise Capital

The Company will require significant capital to achieve its business objectives, and there is no assurance that it will be able to raise the necessary funds to do so, or be able to secure financing on favourable terms. The Company's ability to raise money depends on the state of capital markets, its attractiveness as a business compared to its competitors, the amount of funding that the Company is seeking, and its ability to find financiers willing and able to provide such financing. Some of these variables are beyond the Company's control. If The Company fail to raise the required amount of capital at a given time, it may be forced to discontinue certain products or operations, reduce or forego sales and marketing activities, and/or cut back on staff. Furthermore, not procuring sufficient capital may place the Company's business as a going concern into jeopardy.

Even if the Company was able to raise the requisite amount of money when needed, such financings may have undesirable effects. If The Company was to raise money through equity financings, its shareholders' ownership interest will be diluted, and the terms of the equity securities may include liquidation or other preferences that may adversely affect its shareholders' rights. Debt financing, if available, may involve agreements that include covenants limiting or restricting its ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If the Company raises additional capital through government or other third-party funding, marketing and distribution arrangements or other collaborations, strategic alliances or licensing arrangements with third parties, the Company may have to relinquish valuable rights to its products, future revenue streams, research programs or to grant licenses on terms that may not be favourable.

Loss of key personnel

The Company depends on the services of its key technical, sales, and management personnel as it continues to expand its development activities. The loss of any of these key persons could have a material adverse effect on the Company's business, results of operations and financial condition. The Company may not be able to attract or retain qualified technical, sales, and management in the future due to the intense competition for qualified personnel among software and hardware businesses. If it is not able to attract and retain the necessary personnel to accomplish its business objectives, it may experience constraints that will impede significantly the achievement of its development objectives.

Business acquisition risk

A number of risks associated with business acquisition include: (i) potential disruption of the Company's ongoing business; (ii) distraction of management; (iii) increased financial leverage; (iv) the anticipated benefits and cost savings of those transactions may not be realized fully, or at all, or may take longer to realize than expected; (v) increased scope and complexity of the Company's operations; and (vi) loss or reduction of control over certain of the Company's assets. The presence of one or more material liabilities and/or commitments of an acquired company that are unknown at the time of acquisition could have a material adverse effect on the Company's results of operations, business prospects and financial condition. A strategic transaction may result in a significant change in the nature of the Company's business, operations and strategy. In addition, the Company may encounter unforeseen obstacles or costs in implementing a strategic transaction or integrating any acquired business into its existing operations.

Rapid technological changes

The markets for the Company's products are characterized by rapidly changing technology, evolving industry standards and increasingly sophisticated customer requirements. The introduction of products embodying new technology and the emergence of new industry standards can render the Company's existing products obsolete and unmarketable and can exert price pressures on existing products. The success of the Company is dependent upon its ability to be able to anticipate and react quickly to changes in technology or in industry standards and to successfully develop and introduce new, enhanced and competitive products on a timely basis. The Company cannot give assurance that it will successfully develop new products or enhance and improve its existing products, that new products and enhanced and improved existing products will achieve market acceptance or that the introduction of new products or enhanced existing products by others will not render the Company's products obsolete. The Company's inability to develop products that are competitive in technology and price and that meet end-user needs could have a material adverse effect on the Company's business, financial condition or results of operations.

Ability to protect the Company's intellectual property

If the Company's intellectual property is not adequately protected, the Company may lose its competitive advantage. The Company's success depends in part on its ability to protect its rights in its intellectual property. The Company relies on various intellectual property protections, including patents, copyright, trademark and trade secret laws and contractual provisions, to preserve its intellectual property rights. Despite these precautions, it may be possible for third parties to obtain and use the Company's intellectual property without its authorization. Policing unauthorized use of intellectual property is difficult, and some foreign laws do not protect proprietary rights to the same extent as the laws of Canada or the United States. To protect the Company's intellectual property, the Company may become involved in litigation, which could result in substantial expenses, divert the attention of its management, cause significant delays, materially disrupt the conduct of the Company's business or adversely affect its revenue, financial condition and results of operations.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

New accounting standards

There were no new or amended IFRS pronouncements effective July 1, 2022 that impacted the Company's consolidated financial statements.

DISCLOSURE CONTROLS

In connection with Exemption Orders issued by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the audited annual financial statements and respective accompanying Management's Discussion and Analysis.

In contrast to the certificates under National Instrument ("NI") 52-109 (Certification of disclosure in an Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting as defined in NI 52-109.

ADDITIONAL INFORMATION

Additional information concerning the Company and its operations is available on SEDAR at www.sedarplus.ca and on the Company web site at https://energyplugcorp.com.

APPROVAL

The Board of Directors of Energy Plug Technologies Corp. has approved the contents of this management discussion and analysis on October 30, 2023.