NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS AND MANAGEMENT PROXY CIRCULAR

D-BOX TECHNOLOGIES INC.

August 4, 2022

D-BOX TECHNOLOGIES INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that, due to persistent concerns regarding the COVID-19 pandemic and to assist in protecting the health and well-being of our shareholders, employees and directors, an Annual and Special Meeting of Shareholders (the "**Meeting**") of D-BOX Technologies Inc. (the "**Corporation**") will be held in a virtual format at 10:00 a.m. on September 14, 2022 for the following purposes:

1. To receive and consider the consolidated financial statements of the Corporation for the fiscal year ended March 31, 2022 and the auditors' report thereon;
2. To elect directors;
3. To appoint Ernst & Young LLP as auditors of the Corporation and authorize the directors to fix their remuneration;
4. To consider, and if deemed advisable, adopt a resolution in the form annexed as Schedule A to the accompanying management proxy circular (the "**Circular**"), ratifying, confirming and approving the amendment and renewal of the Amended and Restated Shareholder Rights Plan of the Corporation;
5. To transact such other business as may properly be brought before the Meeting.

It is important that your shares be represented at the Meeting. Please note that the Meeting will be held in a virtual only format, which will be conducted via live audio webcast which can be accessed after registering at the link indicated below. Shareholders will not be able to attend the Meeting in person but will have an opportunity to participate at the Meeting online regardless of their geographic location.

Only persons registered as shareholders on the records of the Corporation as of the close of business on July 27, 2022 (the "**Record Date**") are entitled to receive notice of, and to vote or act at, the virtual Meeting. No person who becomes a shareholder after the Record Date will be entitled to vote or act at the Meeting or any adjournment thereof.

In addition to being able to vote at the appropriate time during the Meeting, registered shareholders and duly appointed proxyholders will be able to participate in the Meeting and ask questions, all in real time, provided they are connected to the internet and comply with all of the requirements set out in the Circular. Non-registered shareholders (being a shareholder who does not hold Class A common shares of the Corporation in his, her or its, as the case may be, own name (a "**Beneficial Shareholder**")) who have not duly appointed themselves as proxyholder will be able to attend the Meeting as guests, but guests will not be able to vote at the Meeting. To access the Meeting, follow the instructions below:

- Step 1: Log in online and register at: https://bit.ly/3yJCv5R before 10:00 a.m. on September 12, 2022.
- Step 2: Complete the survey to register for the Meeting.
- Step 3: After registering, you will receive a confirmation email sent to the email address you provided in the survey with access instructions for the day of the Meeting. This confirmation email with access instructions will also be sent out the day prior to the Meeting.

The Corporation recommends that you log in by 9:45 a.m. (eastern time) on September 14, 2022. It is important to ensure you are connected to the internet at all times in order to vote when balloting commences. You are responsible for ensuring internet connectivity for the duration of the Meeting.

Registered shareholders who are unable to participate in the Meeting are kindly requested to specify on the accompanying form of proxy the manner in which the Class A common shares represented thereby are to be voted, and to sign, date, and return same in accordance with the instructions set out in the form of proxy and the Circular.

A registered shareholder or a Beneficial Shareholder who desires to appoint a person other than those identified on the form of proxy or voting instruction form to represent him, her or it at the virtual Meeting, or any adjournment thereof, may do so by inserting such person's name in the blank space provided in the form of proxy or voting instruction form and following the instructions for submitting such form of proxy or voting instruction form. This must be completed prior to registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy or voting instruction form. If you wish that a person other than the nominees identified on the form of proxy or voting instruction form attend and participate at the virtual Meeting as your proxy and vote your Class A common shares, including if you are a Beneficial Shareholder and wish to appoint yourself as a proxyholder to attend, participate and vote at the virtual Meeting,

you MUST register such proxyholder after having submitted your form of proxy or voting instruction form identifying such proxyholder. Failure to register the proxyholder will result in the proxyholder not receiving a four-digit username to attend, participate and vote at the Meeting. Without a username, proxyholder will not be able to register in order to participate, submit questions online and vote virtually at the Meeting. To register a proxyholder, shareholders MUST visit https://www.computershare.com/DBOX and provide Computershare Investor Services Inc. with their proxyholder's contact information before 10:00 a.m. on September 12, 2022, so that the Computershare Investor Services Inc. may provide the proxyholder with a four-digit username via email. The username will be required for proxyholders to register for the Meeting in accordance with the steps 1 to 3 described above and participate, attend and vote at the Meeting which will be held through a live audio webcast.

The Circular of the Corporation accompanying this Notice contains important instructions and details on how to participate at the Meeting and vote your Class A common shares by proxy or online during the Meeting. The specific details of the matters proposed to be put before the Meeting are also set forth in the Circular.

EVEN IF YOU PLAN TO PARTICIPATE IN THE MEETING ONLINE, PLEASE SUBMIT YOUR PROXY BY INTERNET, PHONE OR MAIL AS SOON AS POSSIBLE. If you later choose to revoke your proxy or change your vote, you may do so by following the procedures described in the Circular.

DATED at Longueuil, Québec
August 4, 2022

BY ORDER OF THE BOARD OF DIRECTORS

(signed) Denis Chamberland
Denis Chamberland
Chair of the Board of Directors

D-BOX TECHNOLOGIES INC.

MANAGEMENT PROXY CIRCULAR

SOLICITATION OF PROXIES BY MANAGEMENT

This Management Proxy Circular (the "Circular") is furnished in connection with the solicitation by the management of D-BOX Technologies Inc. (the "Corporation") of proxies to be used at the annual and special meeting of shareholders (the "Meeting") of the Corporation to be held at the time and place and for the purposes set forth in the Notice of Meeting. It is expected that the solicitation will be made primarily by mail. However, officers and employees of the Corporation may also solicit proxies by telephone, telecopier, e-mail or in person. The total cost of solicitation of proxies will be borne by the Corporation. Pursuant to National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), arrangements have been made with clearing agencies, brokerage houses and other financial intermediaries to forward proxy-related materials to certain beneficial owners of the shares. See "Appointment and Revocation of Proxies – Notice to Beneficial Shareholders" below.

The Meeting will be held in a virtual only format, which will be conducted via live audio webcast which can be accessed after registering at the following link https://bit.ly/3yJCv5R. Shareholders will not be able to physically attend the Meeting. For a summary of how Shareholders may attend the Meeting online, see "Virtual Meeting" below.

Except where otherwise indicated, this Circular contains information as of the close of business on August 4, 2022 and all currency amounts are shown in Canadian dollars unless otherwise specified.

INTERNET AVAILABILITY OF PROXY-RELATED MATERIALS

Notice-and-Access

The Corporation has elected to use "notice-and-access" rules ("**Notice-and-Access**") under NI 54-101 for distribution of Proxy-Related Materials (as defined below) to shareholders who do not hold shares of the Corporation in their own names (referred to herein as "**Beneficial Shareholders**"). Notice-and-Access is a recent set of rules that allows issuers to post electronic versions of proxy-related materials on SEDAR and on one additional website, rather than mailing paper copies. "**Proxy-Related Materials**" refers to this Circular, the Notice of Meeting and a voting instruction form ("**VIF**").

The use of Notice-and-Access is more environmentally friendly as it will help reduce paper use. It will also reduce the Corporation's printing and mailing costs. Beneficial Shareholders may obtain further information about Notice-and-Access by contacting: (i) for Beneficial Shareholders with a 15-digit Control Number: Computershare Investor Services Inc. toll free at 1-866-964-0492 or on the internet at www.computershare.com/noticeandaccess; or (ii) for Beneficial Shareholders with a 16-digit Control Number: Broadridge Financial Solutions, Inc. toll free at 1-855-887-2244.

The Corporation is not using Notice-and-Access for delivery to shareholders who hold their shares directly in their respective names (referred to herein as "**Registered Shareholders**"). Registered Shareholders will receive paper copies of this Circular and related materials via prepaid mail.

Websites Where Proxy-Related Materials are Posted

The Proxy-Related Materials are available on the Corporation's website at www.d-box.com and under the Corporation's profile on SEDAR at www.sedar.com.

Notice Package

Although the Proxy-Related Materials have been posted on-line as noted above, Beneficial Shareholders will receive paper copies of a notice package ("**Notice Package**") via prepaid mail containing information prescribed by NI 54-101 such as: the date, time and location of the Meeting, the website addresses where the Proxy-Related Materials are posted, a VIF, and supplemental mail list return card for Beneficial Shareholders to request they be included in the Corporation's supplementary mailing list for receipt of the Corporation's interim financial statements for the 2023 fiscal year.

How to Obtain Paper Copies of Proxy-Related Materials

Beneficial Shareholders may obtain paper copies of this Circular free of charge by contacting: (i) for Beneficial Shareholders with a 15-digit Control Number: Computershare Investor Services Inc. toll free at 1-866-962-0498 (within North America) or 514-982-8716 (outside North America); or (ii) for Beneficial Shareholders with a 16-digit Control Number: Broadridge Financial Solutions, Inc. toll free at 1-877-907-7643. Any request for paper copies which are required in advance of the Meeting should be sent so that the request is received by the Corporation by September 2, 2022 in order to allow sufficient time for Beneficial Shareholders to receive their paper copies and to return their VIF by its due date.

APPOINTMENT AND REVOCATION OF PROXIES

Appointment of Proxy

In addition to voting (in person or online) at the Meeting, a Registered Shareholder may vote by mail by completing and signing the enclosed form of proxy and by delivering it to Computershare Investor Services Inc. (i) by mail or hand delivery to Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, or (ii) by facsimile to 416-263-9524 or 1-866-249-7775. A Registered Shareholder may also vote using the internet at www.investorvote.com or by telephone at 1-866-732-8683. In order to be valid and acted upon at the Meeting, the form of proxy must be received no later than 10:00 a.m. (eastern time) on September 12, 2022 or be deposited with the Corporate Secretary of the Corporation before the commencement of the Meeting or any adjournment thereof.

The document appointing a proxy must be in writing and executed by the Registered Shareholder or his attorney authorized in writing or, if the Registered Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

A Registered Shareholder submitting a form of proxy has the right to appoint a person (who need not be a shareholder) to represent him or her at the Meeting other than the persons designated in the form of proxy furnished by the Corporation. To exercise that right, the name of the Registered Shareholder's appointee should be legibly printed in the blank space provided. In addition, the Registered Shareholder should notify the appointee of his or her appointment, obtain his or her consent to act as appointee and instruct the appointee on how the Registered Shareholder's shares are to be voted.

In addition to the foregoing, a Registered Shareholder who wish to participate and vote at the Meeting or who is appointing a third party to represent him, her or it at the Meeting must also register himself, herself or such proxyholder in accordance with the procedures described in sections "Virtual Meeting - Registration of Proxyholders" and "Virtual Meeting – To Access and Vote at the Meeting" below.

Shareholders who are not Registered Shareholders should refer to "Notice to Beneficial Holders of Shares" below.

Revocation of Proxy

A Registered Shareholder who has submitted a form of proxy as directed hereunder may revoke it at any time prior to the exercise thereof. If a Registered Shareholder who has given a proxy personally participates in the Meeting online at which that proxy is to be voted, that Registered Shareholder may revoke the proxy and vote online at the Meeting. In addition to the revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Registered Shareholder or his attorney or authorized agent and deposited with (i) Computershare Investor Services Inc. at any time up to 10:00 a.m. (eastern time) on September 12, 2022 by mail or by hand delivery to Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, or by facsimile to 416-263-9524 or 1-866-249-7775, (ii) at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or (iii) with the Corporate Secretary of the Corporation before the commencement of the Meeting, or any adjournment thereof, and upon any such deposit, the proxy will be revoked.

Notice to Beneficial Shareholders

The information set out in this section is of significant importance to many shareholders, as a substantial number of shareholders are Beneficial Shareholders and do not hold shares of the Corporation in their own names. Beneficial Shareholders should note that only proxies deposited by Registered Shareholders (shareholders whose names appear on the records of the Corporation as the registered holders of shares) can be recognized and acted upon at the Meeting or any

adjournment(s) thereof. If shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those shares will not be registered in the shareholder's name on the records of the Corporation. Those shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of those shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their nominees can be voted (for or against resolutions or withheld from voting) only upon the instructions of the Beneficial Shareholder. Without specific instructions, the brokers/nominees are prohibited from voting shares for their clients. Subject to the following discussion in relation to NOBOs (as defined below), the Corporation does not know for whose benefit the shares of the Corporation registered in the name of CDS & Co., a broker or another nominee, are held.

There are two categories of Beneficial Shareholders for the purposes of applicable securities regulatory policy in relation to the mechanism of dissemination to Beneficial Shareholders of proxy-related materials and other securityholder materials and the request for voting instructions from such Beneficial Shareholders. Non-objecting beneficial owners ("**NOBOs**") are Beneficial Shareholders who have advised their intermediary (such as brokers or other nominees) that they do not object to their intermediary disclosing ownership information to the Corporation, consisting of their name, address, e-mail address, securities holdings and preferred language of communication. Securities legislation restricts the use of that information to matters strictly relating to the affairs of the Corporation. Objecting beneficial owners ("**OBOs**") are Beneficial Shareholders who have advised their intermediary that they object to their intermediary disclosing such ownership information to the Corporation.

NI 54-101 permits the Corporation, in its discretion, to obtain a list of its NOBOs from intermediaries and use such NOBO list for the purpose of distributing the Notice Package directly to, and seeking voting instructions directly from, such NOBOs. As a result, the Corporation is entitled to deliver the Notice Package to Beneficial Shareholders in two manners: (a) directly to NOBOs and indirectly through intermediaries to OBOs; or (b) indirectly to all Beneficial Shareholders through intermediaries. In accordance with the requirements of NI 54-101, the Corporation is sending the Notice Package directly to NOBOs and indirectly through intermediaries to OBOs. The cost of the delivery of the Notice Package by intermediaries to OBOs will be borne by the Corporation.

The Corporation has used a NOBO list to send the Notice Package directly to NOBOs whose names appear on that list. If the Corporation's transfer agent, Computershare Investor Services Inc., has sent these materials directly to a NOBO at the request of the Corporation, such NOBO's name and address and information about its holdings of shares of the Corporation have been obtained from the intermediary holding such shares on the NOBO's behalf in accordance with applicable securities regulatory requirements. As a result, NOBOs can expect to receive a VIF from Computershare Investor Services Inc. NOBOs should complete and return the VIF to Computershare Investor Services Inc. in the envelope provided. In addition, telephone voting and internet voting are available; instructions in respect of the procedure for telephone and internet voting can be found in the VIF. Computershare Investor Services Inc. will tabulate the results of VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by such VIFs.

Applicable securities regulatory policy requires intermediaries, on receipt of Notice Packages that seek voting instructions from Beneficial Shareholders indirectly, to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings on Form 54-101F7 (Request for Voting Instructions Made by Intermediary). Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting or any adjournment(s) thereof. Often, the form of request for voting instructions supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to Registered Shareholders; however, its purpose is limited to instructing the Registered Shareholder how to vote on behalf of the Beneficial Shareholder. Beneficial Shareholders who wish to appear in person and vote at the Meeting should be appointed as their own representatives at the Meeting in accordance with the directions of their intermediaries and Form 54-101F7. Beneficial Shareholders can also write the name of someone else whom they wish to participate in the Meeting online and vote on their behalf. Unless prohibited by law, the person whose name is written in the space provided in Form 54-101F7 will have full authority to present matters to the Meeting and vote on all matters that are presented at the Meeting, even if those matters are not set out in Form 54-101F7 or this Circular. **In addition to the foregoing, a Beneficial Shareholder who wish to participate and vote at the Meeting and who is appointing himself, herself or a third party to represent him, her or it at the Meeting must also register himself, herself, itself or such proxyholder in accordance with the procedures described in sections "Virtual Meeting - Registration of Proxyholders" and "Virtual Meeting – To Access and Vote at the Meeting" below**.

The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). In forwarding the Notice Package to Beneficial Shareholders, Broadridge typically includes a VIF in lieu of the form of proxy that some intermediaries employ. Beneficial Shareholders are requested to complete and return the

VIF to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free telephone number to vote the shares held by them or access Broadridge's dedicated voting website at https://central-online.proxyvote.com to deliver their voting instructions. Broadridge will then provide aggregate voting instructions to the Corporation's transfer agent and registrar, which tabulates the results and provides appropriate instructions respecting the voting of shares to be represented at the Meeting or any adjournment(s) thereof.

VIRTUAL MEETING

The Corporation is holding the Meeting in a virtual-only format, which will be conducted via live audio webcast which can be accessed after registering at the following link https://bit.ly/3yJCv5R. Shareholders will not be able to attend the Meeting in person. Participating in the Meeting online enables Registered Shareholders and duly appointed proxyholders, including Beneficial Shareholders who have duly appointed themselves as proxyholder, to participate at the Meeting and ask questions, all in real time. If you are a Registered Shareholder or a duly appointed proxyholder, you can vote at the appropriate times during the Meeting. Beneficial Shareholders who have not duly appointed themselves as proxyholder will be able to attend the virtual Meeting as guests but will not be able to vote at the virtual Meeting.

To Access and Vote at the Meeting

To access and vote at the Meeting, follow the instructions below:

- Step 1: Log in online and register at: https://bit.ly/3yJCv5R before 10:00 a.m. on September 12, 2022.
- Step 2: Complete the survey to register for the Meeting.
- Step 3: After registering, you will receive a confirmation email sent to the email address you provided in the survey with access instructions for the day of the Meeting. This confirmation email with access instructions will also be sent out the day prior to the Meeting.

The Corporation recommends that you log in by 9:45 a.m. (eastern time) on September 14, 2022. It is important to ensure you are connected to the internet at all times in order to vote when balloting commences. You are responsible for ensuring internet connectivity for the duration of the Meeting.

Registration of Proxyholders

The persons named in the enclosed form of proxy or VIF, as the case may be, are executive officer and/or directors of the Corporation. A Shareholder has the right to appoint a person, who need not be a Shareholder of the Corporation, other than the persons designated in the accompanying form of proxy or VIF, to attend and act on his, her or its behalf at the Meeting. A Registered Shareholder or a Beneficial Shareholder who desires to appoint a person other than those identified on the form of proxy or VIF to represent him, her or it at the online Meeting, or any adjournment thereof, may do so by inserting such person's name in the blank space provided in the form of proxy or VIF and following the instructions for submitting such form of proxy or VIF. This must be completed prior to registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy or VIF. If you wish that a person other than the nominees identified on the form of proxy or VIF attend and participate at the virtual Meeting as your proxy and vote your Class A common shares, including if you are a Beneficial Shareholder and wish to appoint yourself as a proxyholder to attend, participate and vote at the virtual Meeting, you MUST register such proxyholder after having submitted your form of proxy or VIF identifying such proxyholder. Failure to register the proxyholder will result in the proxyholder not receiving a four-digit username to attend, participate and vote at the Meeting. Without a username, proxyholder will not be able to register in order to participate, submit questions online and vote virtually at the Meeting. To register a proxyholder, shareholders MUST visit https://www.computershare.com/DBOX and provide Computershare Investor Services Inc. with their proxyholder's contact information before 10:00 a.m. (eastern time) on September 12, 2022, so that Computershare Investor Services Inc. may provide the proxyholder with a four-digit username via email. The username will be required for proxyholders to register for the Meeting in accordance with the steps 1 to 3 described in section "To Access and Vote at the Meeting" above and attend and vote at the Meeting which will be held through a live audio webcast. If you are a Beneficial Shareholder and do not appoint yourself as proxyholder, you will still be able to participate as a guest, but guests will not be able to vote at the Meeting. This must be completed prior to registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy or VIF.

United States Beneficial Shareholders:

To attend and vote at the virtual Meeting, Beneficial Shareholders in the United States must first obtain a valid legal proxy from his or her broker, bank or other agent and then register in advance to attend the Meeting. Beneficial Shareholders must

follow the instructions from his or her broker or bank included with the Notice Package and Proxy-Related Materials, or contact his or her broker or bank to request a legal proxy form. After first obtaining a valid legal proxy from a broker, bank or other agent, to then register to attend the Meeting, Beneficial Shareholders must submit a copy of their legal proxy to Computershare Investor Services Inc. Requests for registration should be directed to:

Computershare Investor Services Inc.
"Legal Proxy"
100 University Avenue
8th Floor
Toronto, Ontario
M5J 2Y1
OR
Email at: uslegalproxy@computershare.com

Requests for registration must be labeled as "Legal Proxy" and be received no later than September 12, 2022 10:00 a.m. (eastern time). Beneficial Shareholders will receive a confirmation of his or her registration by e-mail after Computershare Investor Services Inc. has received the registration materials referred to above. Beneficial Shareholders following the foregoing procedures may attend the Meeting and vote their shares during the Meeting. Please note that Beneficial Shareholders are required to register their appointment at www.computershare.com/DBOX and registering for the Meeting at https://bit.ly/3yJCv5R before 10:00 a.m. on September 12, 2022.

EXERCISE OF DISCRETION BY PROXIES

Shares represented by properly-executed proxies in favour of the persons designated in the enclosed form of proxy, in the absence of any direction to the contrary, will be voted FOR the: (i) election of directors; (ii) appointment of auditors; and (iii) the amendment and renewal of the Amended Shareholder Rights Plan of the Corporation. Instructions with respect to voting will be respected by the persons designated in the enclosed form of proxy. With respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting, such shares will be voted by the persons so designated in their discretion. At the time of printing this Circular, management of the Corporation knows of no such amendments, variations or other matters.

VOTING SHARES

As at July 27, 2022, there were 220,225,573 issued and outstanding Class A common shares of the Corporation. There are no other issued and outstanding shares. Each Class A common share entitles the holder thereof to one vote. The Corporation has fixed July 27, 2022 as the record date (the "**Record Date**") for the purpose of determining shareholders entitled to receive notice of the Meeting. Pursuant to the *Canada Business Corporations Act*, the Corporation is required to prepare, no later than ten days after the Record Date, an alphabetical list of shareholders entitled to vote as of the Record Date that shows the number of shares held by each shareholder. A shareholder of record on the Record Date will be entitled to vote those shares included in the list of shareholders entitled to vote at the Meeting prepared as at the Record Date, even though the shareholder may subsequently dispose of his or her shares. No shareholder who has become a shareholder after the Record Date will be entitled to attend or vote at the Meeting or any adjournment(s) thereof.

PRINCIPAL SHAREHOLDERS

As at July 27, 2022, to the best knowledge of the Corporation, the following is the only person who beneficially owned, directly or indirectly, or exercised control or direction over, more than 10% of the Class A common shares of the Corporation:

Name and municipality of residence	Number of Class A common shares held	Percentage
Fidelity Management & Research Company..... Boston, Massachusetts	26,390,000[(1)]	12%

(1) This information was provided by Fidelity International on August 3, 2022 and cannot be independently verified by the Corporation.

ELECTION OF DIRECTORS

The Board of Directors currently consists of seven members. Unless otherwise specified, the persons named in the enclosed form of proxy intend to vote for the election of the seven nominees whose names are set out below. Each director will hold office until the next annual meeting of shareholders or until the election of his or her successor, unless the director resigns or his or her office becomes vacant by removal, death or any other cause.

The following table sets out the name of each of the persons proposed to be nominated for election as director, all other positions and offices with the Corporation now held by such person, his or her principal occupation, the year in which such person became a director of the Corporation, and the number of Class A common shares of the Corporation that such person has advised are beneficially owned or over which control or direction is exercised by such person as at the date indicated below:

Name, municipality of residence and position with the Corporation	Principal occupation	First year as director	Number of shares beneficially owned or over which control is exercised as at July 27, 2022
Sébastien Mailhot Boucherville, Québec, Canada President, Chief Executive Officer and Director	President and Chief Executive Officer of the Corporation	2020	1,880,755
Louis P. Bernier(1) Ville Mont-Royal, Québec, Canada Director	Partner Fasken Martineau DuMoulin LLP (law firm)	2014	530,770
Brigitte Bourque(1) Montreal, Québec, Canada Director	Executive Coach Groupe Pauzé (consulting company)	2019	153,850
Denis Chamberland(2) Sutton, Québec, Canada Director	Corporate Director	2020	884,620
Zrinka Dekic(1) Los Angeles, California, United States Director	Corporate Director	2021	—
Luc Martin(2) Laval, Québec, Canada Director	Corporate Director	2020	590,870
Jean-Pierre Trahan(2) Brossard, Québec, Canada Director	Chief Financial Officer, Stingray Group Inc. (music service provider)	2021	11,500

(1) Member of the Compensation and Corporate Governance Committee (the "**CCGC**").
(2) Member of the Audit Committee.

The information as to shares beneficially owned or over which the above-named individuals exercise control or direction is not within the knowledge of the Corporation and has been furnished by the respective nominees individually.

All of the nominees whose names are set out above have previously been elected directors of the Corporation at a shareholders' meeting for which an information circular was issued, except for Zrinka Dekic. The following is a brief biography of this nominee.

Zrinka Dekic brings nearly 20 years of entertainment industry and financial markets experience including corporate strategy, investment banking, investment management and corporate finance. Throughout her career she held several prominent

positions, including Corporate Strategy, Strategic Planning and Business Development at The Walt Disney Company, Vice President in Investment Management at Goldman Sachs in New York and Vice President of Houlihan Lokey's Investment Banking Technology, Media & Telecom (TMT) Group. Most recently she served as Chief Financial Officer at Genius Brands International. Ms. Dekic holds a B.A. from Amherst College and an MBA in Finance from The Wharton School.

To the knowledge of the Corporation, none of the nominees for election as a director of the Corporation:

(a) is, or within the last ten years has been, a director, chief executive officer or chief financial officer of any company that:

(i) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which in all cases was in effect for a period of more than 30 consecutive days (an "**Order**"), which Order was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of such company; or

(ii) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer of such company; or

(b) is, or within the last ten years has been, a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(c) has, within the last ten years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets.

None of the foregoing nominees for election as director of the Corporation has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Majority Voting for Directors

In March 2013, the Board of Directors adopted a majority-voting policy which was amended on July 8, 2016. Under this policy, in an uncontested election of directors, any nominee proposed for election as a director who receives a greater number of "withheld" votes than "for" votes is expected promptly following the date of the shareholders' meeting at which the election occurred to tender his or her resignation to the Chair of the Board of Directors for consideration by the CCGC, with the resignation to take effect upon acceptance by the Board of Directors. This policy applies only to "uncontested elections", that is, elections where the number of nominees for director is equal to the number of directors to be elected.

The majority voting policy will be repealed as of August 31, 2022 when amendments to the *Canadian Business Corporations Act* come into effect. In uncontested elections, shareholders will be able to vote "for" or "against" each nominee director (instead of "for" or "withhold" under the previous system), and each nominee director must receive a majority of "for" votes to be elected. Further, if a nominee director does not receive a majority of "for" votes, they will immediately need to resign and may not be appointed a director by the Board of Directors before the next annual meeting of shareholders, except if necessary to ensure the Board of Directors has the requisite number of resident Canadians or independent directors. The director may however continue as a director for a transition period of up to 90 days following the meeting at which he or she received a negative vote.

COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS

Compensation Discussion & Analysis

This discussion describes the Corporation's compensation program for each person who acted as President and Chief Executive Officer ("**CEO**"), Chief Financial Officer ("**CFO**") and the three most highly-compensated executive officers (or three most highly-compensated individuals acting in a similar capacity), other than the CEO and the CFO, whose total compensation was more than $150,000 in the Corporation's last fiscal year and who was performing a policy-making function in respect of the Corporation (each a "**Named Executive Officer**" or "**NEO**" and collectively the "**Named Executive Officers**" or "**NEOs**"). This section addresses the Corporation's philosophy and objectives and provides a review of the process that the CCGC follows in deciding how to compensate the NEOs. This section also provides discussion and analysis of the CCGC's specific decisions about the compensation of the NEOs for the fiscal year ended March 31, 2022. The Corporation had three (3) NEOs during the fiscal year ended March 31, 2022, namely Sébastien Mailhot, President and Chief Executive Officer, David Montpetit, Chief Financial Officer, and Robert Desautels, Chief Technology Officer.

Compensation and Corporate Governance Committee

As at the date hereof, the CCGC is composed of three (3) directors, namely Louis P. Bernier, Brigitte Bourque and Zrinka Dekic, all of which are independent within the meaning of National Instrument 52-110 *Audit Committees*. The Board of Directors believes that the members of the CCGC have the knowledge, experience and required backgrounds to fulfill the CCGC's mandate, and each member of the CCGC has direct experience that is relevant to his responsibilities in executive compensation. In particular, (i) Louis P. Bernier is a partner at Fasken Martineau DuMoulin LLP, a law firm, where he specializes in labour, employment, public and constitutional law. Mr. Bernier has served as a member of the International Society for Labour and Social Security Law and was a member of the board of directors and management committee of the Fédération des chambres de commerce du Québec, where he also served as chairman of the labour committee in human resources; (ii) Brigitte Bourque is an executive coach at Pauzé Coaching, the firm she co-founded in 2010. She served as Chief of Staff for the Québec Environment Minister and Special Advisor for the Québec Premier's office, and she was Assistant Deputy Minister at the Communications Department from 1989 to 1994. She was Vice-President, Corporate Human Resources and Employee Communications at Teleglobe Canada Inc., an international telecommunications carrier, she is currently on the board of Executives Available, a non-profit organization, and she is involved as an expert with Femmessor, an organization financing and helping women entrepreneurs; and (iii) Zrinka Dekic brings nearly 20 years of entertainment industry and financial markets experience including corporate strategy, investment banking, investment management and corporate finance. Throughout her career she held several prominent positions, including Corporate Strategy, Strategic Planning and Business Development at The Walt Disney Company, Vice President in Investment Management at Goldman Sachs in New York and Vice President of Houlihan Lokey's Investment Banking Technology, Media & Telecom (TMT) Group. Most recently she served as Chief Financial Officer at Genius Brands International. These collective skills and vast experience allow the CCGC to make decisions affecting the relevance of policies and practices regarding the Corporation's compensation.

The mandate of the CCGC is to annually review and make recommendations to the Board of Directors with respect to the Corporation's compensation and benefit programs for the NEOs and directors as well as other members of senior management of the Corporation, including base salaries, bonuses and stock option grants. In the assessment of the annual compensation of the NEOs, the CCGC consults with senior management to develop, recommend and implement compensation philosophy and policy. The CCGC also takes into consideration the competitiveness of the compensation packages offered to the NEOs. Compensation decisions are usually made in the first quarter of a fiscal year, in respect of performance achieved in the prior fiscal year.

Comparative Group and External Compensation Consultant

To ensure the competitiveness of the compensation offered to the NEOs, other senior executives of the Corporation, and the directors of the Corporation, the CCGC may retain, from time to time, the services of compensation consultants to provide advice and benchmarking on executive and director compensation.

During the fiscal year ended on March 31, 2022, the CCGC retained the services of Hexarem Inc. ("**Hexarem**") to provide a benchmarking analysis and to advise the Corporation on the competitiveness and appropriateness of compensation programs offered to its executives and directors.

As part of such review, Hexarem conducted an analysis to examine and compare the Corporation's compensation programs with a group of comparable companies to ensure the competitiveness and reasonableness of the compensation offered. The

Corporation's compensation levels and practices were compared to nine companies (collectively, the "**Comparative Group**"), including companies with market capitalization, revenues and financial performance comparable to those of the Corporation, taking into consideration the size of the Corporation, the geographic markets in which it operates and the responsibilities of its executive officers and directors. The Comparative Group is comprised of the following companies:

COMPARATIVE GROUP		
Quorum Information Technologies	Martello Technologies	Intouch Insight
MediaValet	Bewhere Holdings	Virtra Inc.
Renoworks	NexJ Systems Inc.	Urbanimmersive

The CCGC considered the aforementioned Hexarem analysis and the Comparative Group when performing the last annual review and making recommendations to the Board of Directors with respect to the Corporation's compensation and benefit programs for the NEOs and directors as well as other members of senior management of the Corporation.

During the fiscal year ended on March 31, 2020, the CCGC retained the services of Hexarem to provide long-term incentive grant recommendations for the executive officers and non-executive directors of the Corporation, which led to the adoption by the Board of Directors of a share ownership policy and the long-term incentive grant recommendations described below.

Although the CCGC may rely on information and advice obtained from consultants such as Hexarem, all decisions with respect to executive compensation are made by the Board of Directors upon recommendation of the CCGC and may reflect factors and considerations that differ from information and recommendations provided by such consultants, such as merit and the need to retain high-performing executives.

Long-Term Incentive Grant

On February 12, 2020, upon recommendation of the CCGC, the Board of Directors adopted an incentivization policy for NEOs. Under such policy, the Board of Directors has determined that a total target number of stock options ("**Options**") should be granted to each NEO based on their level of management. Such grant should be as follows: Sébastien Mailhot (President and Chief Executive Officer), up to 3,750,000 Options; David Montpetit (Chief Financial Officer), up to 1,500,000 Options; and Robert Desautels (Chief Technology Officer), up to 1,500,000 Options. Each NEO may be granted a number of Options every year that will take into consideration the total target number of Options indicated above as well as the Options already held by the NEO, in order for the NEO to be the beneficiary of a number of Options corresponding to the total target number of Options. Each grant will be subject to the discretion of the Board of Directors who will also take into account the general performance of the NEO in the last fiscal year. Those Options will expire five (5) years after the date of grant and will be subject to time-based vesting conditions, with one-third (1/3) of such Options vesting equally over a period of three (3) years from the date of grant, except that 40% of the Options granted to the Chief Executive Officer of the Corporation will also be subject to performance-based vesting conditions to be determined by the Board of Directors at the time of grant. This incentivization policy will always be subject to the discretion of the Board of Directors of the Corporation who may change any aspect of the incentivization policy at any time in exceptional circumstances.

As at July 27, 2022, 3,750,000 Options had been granted to Sébastien Mailhot who has reached the maximum number of Options under the incentivization policy, 900,000 Options had been granted to David Montpetit, and 1,000,000 Options had been granted to Robert Desautels.

Compensation Program Philosophy and Objectives

Philosophy

The Corporation's executive compensation philosophy and program objectives are directed primarily by two guiding principles. First, the program is intended to provide competitive levels of compensation, at expected levels of performance, in order to attract, motivate and retain talented executives. Second, the program is intended to create an alignment of interests between the Corporation's executives and shareholders, so that a significant portion of each executive's compensation is linked to maximizing shareholder value. In support of this philosophy, the executive compensation program is designed to

reward performance that is directly relevant to the Corporation's short-term and long-term success. The Corporation attempts to provide both short-term and long-term incentive compensation that varies based on corporate and individual performance.

Purpose

The Corporation's executive compensation program has been designed to accomplish the following long-term objectives:

(a) create a proper balance between building shareholder wealth and competitive executive compensation while maintaining good corporate governance;

(b) produce long-term, positive results for the Corporation's shareholders;

(c) align executive compensation with corporate performance and appropriate peer group comparisons; and

(d) provide market-competitive compensation and benefits that will enable the Corporation to recruit, retain and motivate the executive talent necessary to be successful.

Compensation Process

The executive compensation program is administered by the CCGC. The CCGC has the authority to retain independent consultants to advise it on compensation matters.

Components of Executive Compensation

The Corporation's executive compensation program is structured with three main components: base salary, annual incentives (bonuses) and long-term incentives, including Options granted pursuant to the Corporation's 2015 Stock Option Plan, restricted share units ("**RSU**") granted pursuant to the Restricted Share Unit Plan (the "**RSU Plan**") adopted by the Board of Directors on June 21, 2016 and deferred share units ("**DSU**") granted pursuant to the Deferred Share Unit Plan (the "**DSU Plan**") adopted by the Board of Directors on June 21, 2016. The following discussion describes the Corporation's executive compensation program by component of compensation and discusses how each component relates to the Corporation's overall executive compensation objective. In establishing the executive compensation program, the Corporation believes that:

(a) base salaries provide an immediate cash component for the NEOs and should be at levels competitive with peer companies that compete with the Corporation for business opportunities and executive talent;

(b) annual incentive bonuses encourage and reward performance over the fiscal year compared to predefined goals and objectives and reflect progress toward company-wide performance objectives and personal objectives; and

(c) Options, RSUs and DSUs ensure that the NEOs are motivated to achieve long-term growth of the Corporation and continuing increases in shareholder value, and provide capital accumulation linked directly to the Corporation's performance.

Annual incentive bonuses are related to performance and may form a greater or lesser part of the entire compensation package in any given year.

Base Salaries

The NEOs receive a base salary which is based primarily on the level of responsibility of the position, qualifications and experience of the officer and market conditions.

The base salaries of the NEOs are reviewed annually to ensure they take into account the following factors: market and economic conditions, levels of responsibility and accountability of each NEO, skill and competencies of the NEO, retention considerations and level of demonstrated performance.

Base salaries, including that of the CEO, are reviewed by the CCGC on the basis of its opinion as to a fair and responsible compensation package, taking into account the contribution of the CEO to the Corporation's long-term growth and the knowledge of the members of the CCGC of remuneration practices in Canada.

Variable Cash Incentive Awards – Bonuses

The CCGC's philosophy with respect to NEO bonuses is to align the payment of bonuses with the performance of the Corporation, based on predefined goals and objectives established by the CCGC and management and the relative contribution of each of the executive officers, including the CEO, to that performance. During the fiscal year ended March 31, 2022, the CCGC approved the payment of an aggregate of $230,934 in bonuses to the NEOs. For fiscal 2022, bonuses were determined by the CCGC on the basis of a combination of two elements: (i) the progress achieved in respect of the projects, targets and financial performance-related objectives of the Corporation, as well as the implementation of the business plan and various strategies, such as the attainment of sales, production cost-cutting, technology deployment and brand-recognition objectives; and (ii) the NEO's individual contribution to the foregoing positive results through the achievement of their personal objectives.

The following table sets out the personal and corporate objectives for each of the NEOs for the fiscal year ended March 31, 2022, expressed as a percentage of base salary:

NAME AND PRINCIPAL OCCUPATION	PERCENTAGE OF BASE SALARY AS BONUS	PERSONAL OBJECTIVES (20%)	CORPORATE OBJECTIVES (80%)
Sébastien Mailhot President and Chief Executive Officer	67%	• Launch various initiatives and create partnerships; • Achieve greater hardware compatibility and deployment capacity for the home entertainment market; • Improve content scalability; • Build additional consumer and commercial business metrics for all segments; • Stabilize and improve financial situation during the pandemic; • Assess general human resources situation and make appropriate changes in line with transformation and growth of business.	**Qualitative** component (30% of the corporate objectives): • Launch various initiatives and create partnerships; • Achieve greater hardware compatibility and deployment capacity for the home entertainment market; • Improve content scalability; • Build additional consumer and commercial business metrics for all segments. **Quantitative** component (70% of the corporate objectives) (1): • Achieve level of total revenue; • Achieve an appropriate level of adjusted EBITDA (2); and • Maintain minimum cash balance.
David Montpetit Chief Financial Officer	30%	• Obtain financing to facilitate the growth of the Corporation; • Optimize/transform processes to support the growth and strategic plan of the Corporation; • Implementation of new platform for dashboard and key performance indicators for all segments of the business; • Implementation of alternative business model and logistics for the home entertainment market.	
Robert Desautels Chief Technology Officer	30%	• Achieve greater hardware compatibility and deployment capacity for the home entertainment market; • Complete the development of new products and tools for the home entertainment market; • Implementation of alternative business model for the home entertainment market.	

(1) This percentage will either be 80%, 100% or 120% of the quantitative component percentage of 70% of 80% of the percentage of base salary as bonus, depending on the degree of achievement of the quantitative component of the corporate objectives. By way of example, if the quantitative component of the corporate objectives was surpassed by a certain degree, the Corporation could have paid up to 67.2% of the percentage of base salary as bonus to the NEOs. To mathematically represent the calculation of the quantitative component of the corporate objectives that was reached at a level of 120%, if x is the percentage of base salary as bonus: [x * 80% (corporative objectives) * 70% (quantitative component) * 120% (level reached) = 67.2% of x].

(2) EBITDA means net income before items not affecting cash, foreign exchange gain or loss, financial expenses, interest income and income taxes.

Long-Term Incentive Plans

The Corporation provides long-term incentive compensation to the NEOs through, primarily, the 2015 Stock Option Plan and RSU Plan, and potentially through the DSU Plan.

2015 Stock Option Plan

The Corporation provides long-term incentive compensation to its NEOs through the 2015 Stock Option Plan (the "**2015 Plan**"). The CCGC recommends the granting of Options from time to time based on its assessment of the appropriateness of doing so in light of the long-term strategic objectives of the Corporation, its current stage of development, the need to retain or attract particular key personnel, the number of Options already outstanding and overall market conditions. The CCGC views the granting of Options as a means of promoting the success of the Corporation and higher returns to its shareholders. As such, the CCGC does not grant Options in excessively dilutive numbers. During the fiscal year ended March 31, 2022, the Corporation granted Options in respect of an aggregate of 2,370,000 Class A common shares to its NEOs. The Options granted on June 10, 2021 have an exercise price of $0.12 per Class A common share and an expiry date of June 10, 2026, and the Options granted on February 17, 2022 have an exercise price of $0.115 per Class A common share and an expiry date of February 17, 2027. These Options may be exercised in whole or in part in respect of 1/3 of the shares subject to these Options every 12-month period following the date of grant. In addition to the vesting schedule set out above, 40% of the Options granted to the CEO of the Corporation are subject to a performance-related objective that is set by the CCGC.

On February 12, 2020, the Board of Directors adopted an incentivization policy for NEOs. Under such policy, the CCGC has determined the number of Options that should be granted to each NEO based on their level of management, and the Board of Directors will grant Options to each NEO over a period of five (5) years in order for those NEOs to achieve such determined number of Options based on their level of management. Such Options will expire five (5) years after the grant date. No more than 2% of all issued and outstanding shares of the Corporation will be granted as Options each year under such policy. This incentivization policy will always be subject to the discretion of the Board of Directors of the Corporation who may change any aspect of the incentivization policy at any time in exceptional circumstances.

In 1999, the Board of Directors of the Corporation established the 1999 Stock Option Plan (the "**1999 Plan**") for the directors, officers and employees of, and consultants to, the Corporation and its subsidiaries. On June 16, 2011, the Board of Directors repealed the 1999 Plan and adopted the 2011 Stock Option Plan (the "**2011 Plan**"), which was approved by the shareholders of the Corporation at the annual and special meeting of shareholders held on August 24, 2011. All Options that were granted under the 1999 Plan and that were outstanding as at August 24, 2011 were carried over to the 2011 Plan. On June 18, 2015, the Board of Directors repealed the 2011 Plan and adopted the 2015 Plan, which was approved by the shareholders of the Corporation at the annual and special meeting of shareholders held on August 12, 2015. All Options that were granted under the 2011 Plan and that were outstanding as at August 12, 2015 were carried over to the 2015 Plan. The 2015 Plan provides that the total number of Class A common shares reserved for issuance thereunder and under all of the Corporation's other share-based compensation agreements cannot exceed 10% of the issued and outstanding Class A common shares of the Corporation at the time of a grant. The 2015 Plan is considered to be an "evergreen" plan, since the number of Class A common shares covered by Options which have been exercised will be available for subsequent grants under the 2015 Plan and the number of Options available for grants increases as the number of issued and outstanding Class A common shares of the Corporation increases.

Under the rules of the Toronto Stock Exchange ("**TSX**"), a security-based compensation arrangement such as the 2015 Plan must, when initially put in place, receive shareholder approval at a duly called meeting of shareholders and the unallocated Options are subject to ratification by shareholders every three years thereafter. At the Corporation's annual and special meeting held on August 14, 2018, and again at the Corporation's annual and special meeting held on September 15, 2021, all unallocated entitlements under the 2015 Plan were approved by shareholders.

The following is a description of certain features of the 2015 Plan, as required by the TSX:

(i) the Board of Directors may grant Options to employees, officers and directors of, and service providers to, the Corporation and its subsidiaries;

(ii) the maximum number of Class A common shares in respect of which Options may be outstanding under the 2015 Plan and under all of the Corporation's other share-based compensation agreements cannot exceed ten percent of the issued and outstanding Class A common shares of the Corporation at that time;

(iii) no Option may be granted to any optionee under the 2015 Plan unless the aggregate number of Class A common shares: (a) issued to "insiders" of the Corporation within any one-year period; and (b) issuable to "insiders" of the Corporation at any time under the 2015 Plan or combined with all other share-based compensation agreements of the Corporation, does not exceed ten percent of the total number of issued and outstanding Class A common shares;

(iv) the exercise price of Options is determined by the Board of Directors at the time the Options are granted, but may not be less than the weighted-average trading price of the Class A common shares of the Corporation on the TSX for the five trading days immediately preceding the day on which an Option is granted;

(v) at the time of granting an Option, the Board of Directors, in its discretion, may set a "vesting schedule", that is, one or more dates from which an Option may be exercised in whole or in part. In such event, the Board of Directors will not be under any obligation to set a "vesting schedule" in respect of any other Option granted under the 2015 Plan. If the Board of Directors does not set a "vesting schedule" at the time of granting an Option, the Option will be deemed to vest over a period of 36 months in three equal instalments, with one-third of the Option vesting at twelve-month intervals;

(vi) Options expire on the date set by the Board of Directors at the time the Options are granted, which date may not be more than ten years after the grant date. Nonetheless, if an Option expires during a period in which the Corporation has prohibited an optionee from trading shares under policies it has adopted (a "**Blackout Period**"), or within ten business days from the expiration of a Blackout Period, the term of the Option will be automatically extended for a period of ten business days immediately following the Blackout Period (the "**Extension due to a Blackout Period**");

(vii) Options are not transferable, other than by will or the laws of succession of the domicile of the deceased optionee;

(viii) if an optionee's employment or service-provider relationship with the Corporation is terminated for "serious reason", any Options not then exercised terminate immediately;

(ix) if an optionee dies, Options may be exercised by the person to whom they are transferred by will or the laws of succession only for that number of Class A common shares which the optionee was entitled to acquire at the time of death, for a period of one year after the date of death or prior to the expiration of the term of the Option, whichever occurs earlier;

(x) if an optionee becomes, in the determination of the Board of Directors, permanently disabled, Options may be exercised only for that number of Class A common shares which the optionee was entitled to acquire at the time of permanent disability, for a period of one year after the date of permanent disability or prior to the expiration of the term of the Option, whichever occurs earlier;

(xi) upon an optionee's employment, office, directorship or service-provider relationship with the Corporation terminating or ending other than by reason of death, permanent disability or termination for "serious reason", Options may be exercised for that number of Class A common shares which the optionee was entitled to acquire at the time of such termination, for a period of 90 days after such date or prior to the expiration of the term of the Option, whichever occurs earlier;

(xii) upon an optionee's employment, office or directorship with, or provision of services to, the Corporation being terminated as a result of the resignation of the optionee, any Option or unexercised part thereof granted to such optionee may be exercised only for that number of Class A common shares which the optionee was entitled to acquire under the Option at the time of such termination. Such Option will be exercisable within 30 days after such termination or prior to the expiration of the term of the Option, whichever occurs earlier;

(xiii) the 2015 Plan does not offer optionees financial assistance from the Corporation;

(xiv) in the event the Corporation proposes to amalgamate, merge or consolidate with or into any other company (other than with a wholly-owned subsidiary of the Corporation) or to liquidate, dissolve or wind-up, or in the event an offer to purchase the Class A common shares of the Corporation or any part thereof is made to all holders of Class A common shares of the Corporation (other than the offeror or offerors), the Corporation will have the right, upon written notice thereof to each optionee holding Options under the 2015 Plan, to determine, in the Corporation's sole discretion, that all Options held by such optionees may be exercised, section 6.1(c) of the 2015 Plan notwithstanding, within the 20-day period next following the date of such notice, and that upon the expiry of such 20-day period, all rights of optionees to Options under the 2015 Plan or to exercise same (to the extent not theretofore exercised) will terminate and that all such Options will cease to have further force or effect whatsoever;

(xv) the Board of Directors may, by resolution, advance the date on which any Option may be exercised in a manner to be set forth in such resolution. The Board of Directors will not, in the event of any such advancement, be under any obligation to advance the date on or by which any Option may be exercised by any other optionee;

(xvi) the Board of Directors may, by resolution, but subject to applicable regulatory requirements, decide that any of the provisions of the 2015 Plan concerning the effect of termination of the optionee's employment will not apply for any reason acceptable to the Board of Directors;

(xvii) the approval of the shareholders of the Corporation is required for the following amendments to the 2015 Plan: (a) amendments to the number of Class A common shares that may be issued under the 2015 Plan, including an increase in the maximum percentage or in the number of shares; (b) any amendment to the 2015 Plan serving to lengthen the Extension due to a Blackout Period; (c) any amendment designed to reduce the exercise price or purchase price of an Option held by an "insider" of the Corporation; (d) any amendment extending the term of an Option held by an "insider" of the Corporation beyond the initial expiration date, unless authorization to the contrary is provided for under the 2015 Plan; and (e) amendments that must be approved by shareholders under applicable laws (in particular, the rules, regulations and policies of the TSX);

(xviii) without limiting the generality of the foregoing, the Board of Directors of the Corporation may make the following types of amendments to the 2015 Plan without obtaining the approval of the shareholders of the Corporation: (a) amendments of an "administrative" nature, namely any modification in respect of internal management or administrative amendments, in particular, without limiting the generality of the foregoing, any amendment designed to correct an ambiguity, error or omission in the 2015 Plan or to correct or add to a provision of the 2015 Plan that is incompatible with another provision of the 2015 Plan; (b) amendments necessary to ensure compliance with applicable laws (in particular, the rules, regulations and policies of the TSX); (c) amendments required so that Options are eligible for more favourable treatment under applicable tax legislation; (d) any amendment relating to the administration of the 2015 Plan; (e) any amendment to the vesting provisions of the 2015 Plan or an Option, it being understood that in case of an amendment to the vesting provision of an Option, the Board of Directors is not required to amend the vesting terms and conditions of any other Option; (f) any amendment designed to reduce the exercise price or purchase price of an Option held by an optionee who is not an "insider" of the Corporation; (g) any amendment to the provisions in respect of early termination of the 2015 Plan or an Option, whether or not such Option is held by an "insider" of the Corporation and provided such amendment does not result in an extension of the period beyond the initial expiration date; (h) the addition of a form of financial assistance offered by the Corporation for the acquisition of Class A common shares under the 2015 Plan by all or some categories of eligible participants and the subsequent amendment of such provisions; (i) the addition or amendment of a "cashless" exercise provision; (j) amendments required to suspend or terminate the 2015 Plan; and (k) any other amendment, whether fundamental or not, that does not require the approval of the shareholders under applicable laws;

(xix) if the Corporation is required under the *Income Tax Act* (Canada) or another applicable law to remit an amount to a government authority as income tax on the value of a taxable benefit associated with the exercise of an Option by an optionee, the optionee, upon the exercise of an Option, must, as the case may be:

(a) pay the Corporation, in addition to the Option exercise price, sufficient cash, as determined by the Corporation in its sole discretion, in order to finance the required tax remittance;

(b) authorize the Corporation, on behalf of the optionee, to sell on the market, according to the terms and conditions and at the times determined by the Corporation in its sole discretion, the portion of the Class A common shares to be issued upon exercise of the Option sufficient to generate cash proceeds to finance the required tax remittance; and

(c) take other measures that the Corporation deems acceptable, in its sole discretion, to finance the required tax remittance.

As at March 31, 2022, the maximum number of Class A common shares issuable pursuant to the 2011 Plan and 2015 Plan was 22,022,557 Class A common shares, representing 10% of the then issued and outstanding Class A common shares. At such date, there were 12,691,034 Options issued and outstanding pursuant to the 2011 Plan and 2015 Plan, representing 5.8% of the then issued and outstanding Class A common shares, leaving 9,331,523 unallocated Options available for future grants under the 2015 Plan, representing approximately 4.2% of the then issued and outstanding Class A common shares.

In accordance with the requirements of section 613 of the TSX Company Manual, companies listed on the TSX are required to disclose an "annual burn rate" ("**ABR**") for each of their security-based compensation arrangements as of the end of the financial year. ABR refers to the number of shares that are subject to awards that are granted over the year, expressed as a percentage of the total weighted average number of issued and outstanding shares for the applicable fiscal year. The weighted average number of Class A common shares of the Corporation issued and outstanding in each of the last three fiscal years is as follows:

- Year ended March 31, 2022 – 220,225,573 Class A common shares;
- Year ended March 31, 2021 – 179,234,708 Class A common shares; and
- Year ended March 31, 2020 – 175,950,573 Class A common shares.

The ABR under the 2015 Plan, calculated in accordance with section 613(p) of the TSX Company Manual, was 1.06% in the fiscal year ended March 31, 2022, 1.89% in the fiscal year ended March 31, 2021, and 2.38% in the fiscal year ended March 31, 2020.

The 2015 Plan is available under the Corporation's profile on SEDAR at www.sedar.com and can also be obtained by contacting the Vice President, Legal Affairs and Corporate Secretary of the Corporation at 2172 de la Province Street, Longueuil, Québec, J4G 1R7, or by telephone at 450-999-4074.

RSU Plan

The Board of Directors adopted the RSU Plan in June 2016. The RSU Plan forms part of the Corporation's long-term incentive compensation arrangements available for its NEOs, other officers and key employees, and consultants to the Corporation. The Board of Directors is responsible for the administration of the RSU Plan; however, the Board of Directors may, to the extent permitted by applicable law, delegate the administration of the RSU Plan to the CCGC. The CCGC makes recommendations to the Board of Directors in relation to the RSU Plan and awards of RSUs.

Each RSU entitles the participant to receive, at the Corporation's discretion, one Class A common share previously issued and acquired in the open market, its cash equivalent or a combination of the foregoing. RSUs vest at the end of three years, unless determined otherwise by the Board of Directors or the CCGC, provided the executive, employee or consultant is still employed or providing services on the third anniversary of the date of grant, and conditional upon all vesting conditions set by the Board of Directors, if any, being achieved.

Subject to the foregoing, or unless otherwise provided in a particular RSU grant letter, in the event of the:

(i) death of the participant, all unvested RSUs credited to the participant will vest on the date of the participant's death. The Class A common shares underlying the RSUs credited to the participant's account will be delivered, or their cash equivalent will be paid, to the participant's estate as soon as administratively possible but in no event later than the expiry date of the RSUs;

(ii) long-term disability, as such term is defined in the RSU Plan, of the participant, all unvested RSUs credited to the participant will vest on a date determined by the CCGC, which will be within 60 days following the date on which the participant is determined to be totally disabled, and the Class A common shares underlying such RSUs credited to the participant's account will be delivered, or their cash equivalent paid, to the participant as soon as administratively possible but in no event later than the expiry date of the RSUs;

(iii) retirement, as such term is defined in the RSU Plan, of the participant, all of the unvested RSUs credited to the participant as of the retirement date will vest on the retirement date and the Class A common shares underlying the RSUs credited to the participant's account will be delivered, or their cash equivalent paid, to the participant as soon as administratively possible but in no event later than the expiry date of the RSUs;

(iv) termination, as such term is defined in the RSU Plan, of a participant without serious reason, within the meaning of the *Civil Code of Québec*, all of the unvested RSUs credited to the participant as of the date of termination will vest on the date of termination, and the Class A common shares underlying the RSUs credited to the participant's account will be delivered, or their cash equivalent paid, to the participant as soon as is administratively possible but in no event later than the expiry date of the RSUs; and

(v) termination of a participant for serious reason within the meaning of the *Civil Code of Québec* or the resignation of a participant prior to the participant's entitlement date, then, except as may be provided for in the RSU grant letter or as determined by the Board of Directors or the CCGC, all of the vested RSUs and unvested RSUs credited to the participant as of the date of termination will be forfeited by the participant and will be of no further force and effect as of the date of termination, and no payment will be made by the Corporation to such participant.

The Board of Directors or the CCGC may in its sole discretion permit, at any time prior to or following the events contemplated above, the vesting of any or all RSUs held by a participant in the manner and on the terms authorized by the Board of Directors or the CCGC.

In the event that a cash dividend is declared and paid by the Corporation on its Class A common shares, a participant under the RSU Plan will be credited with additional RSUs. The number of such additional RSUs will be calculated by dividing (a) the total amount of the dividends that would have been paid to the participant if the RSUs held in the Participant's account on the dividend record date had been outstanding Class A common shares, by (b) the volume-weighted average trading price of the Class A common shares on the TSX for the five trading days preceding the date on which such dividends are paid. Any additional RSUs so credited will vest on the entitlement date of the RSUs to which the additional RSUs relate.

Settlement of the RSUs is effected following the participant's entitlement date by: (i) delivering Class A common shares previously issued and acquired in the open market; (ii) making a cash payment equal to the number of RSUs multiplied by the volume-weighted average trading price of the Class A common shares on the TSX for the five trading days preceding the entitlement date, or (iii) a combination of the foregoing.

RSUs expire on the date that is five business day preceding December 31 of the third calendar year following the year in which the participant was awarded such RSUs.

Under the RSU Plan, the Board of Directors may at any time amend, suspend or terminate the RSU Plan, in whole or in part, provided that such action does not adversely alter or impair any RSU previously granted except as permitted by the terms of the RSU Plan. RSUs granted under the RSU Plan are not assignable or transferable, other than by will or the laws of succession of the domicile of the deceased participant.

During the fiscal year ended March 31, 2022, the Corporation did not grant any RSUs pursuant to the RSU Plan to its NEOs.

DSU Plan

The Board of Directors adopted a DSU Plan in June 2016. The DSU Plan forms part of the Corporation's long-term incentive compensation arrangements available for the independent directors of the Corporation and, potentially, NEOs. The DSU Plan is designed to further align the interests of the independent directors of the Corporation, and potentially the NEOs, with those of the shareholders by providing a mechanism to receive incentive compensation in the form of equity. The Board of Directors is responsible for the administration of the DSU Plan; however, the Board of Directors may, to the extent permitted by applicable law, delegate the administration of the DSU Plan to the CCGC.

DSUs have the same value as Class A common shares. At the time of granting DSUs, the Board of Directors, at its discretion, may set vesting conditions. In such event, the Board of Directors is not under any obligation to set any vesting conditions in respect of any other DSUs granted.

In the event that a cash dividend is declared and paid by the Corporation on its Class A common shares, a participant under the DSU Plan will be credited with additional DSUs. The number of such additional DSUs will be calculated by dividing (i) the total amount of the dividends that would have been paid to the participant if the DSUs held in the Participant's account on the dividend record date had been outstanding Class A common shares, by (ii) the volume-weighted average trading price of the Class A common shares on the TSX for the five trading days preceding the date on which such dividends are paid. Any additional DSUs credited to a participant's account following a dividend will vest immediately on the date credited.

Holders of DSUs cannot settle their DSUs while they are members of the Board of Directors or an officer, employee or consultant of the Corporation. Once a holder ceases to be a member of the Board of Directors or an officer, employee or consultant of the Corporation, the Corporation will settle the DSUs by: (i) delivering Class A common shares previously issued and acquired in the open market; (ii) making a cash payment equal to the number of DSUs multiplied by the volume-weighted average trading price of the Class A common shares on the TSX for the five trading days preceding the date on

which a participant ceased to be a director, officer, employee or consultant of the Corporation; or (iii) a combination of the foregoing.

The Board of Directors or the CCGC, as applicable, may determine, in its sole discretion, to extend the settlement date of any DSUs held by a participant by a period ending not more than ten business days preceding December 31 of the year following the year in which the participant ceased to be a director, officer or employee of the Corporation.

The Board of Directors may at any time amend, suspend or terminate the DSU Plan, in whole or in part, provided that such action does not adversely alter or impair any DSU previously granted except as permitted by the terms of the DSU Plan. DSUs granted under the DSU Plan are not assignable or transferable, other than by will or the laws of succession of the domicile of the deceased participant.

During the fiscal year ended March 31, 2022, the Corporation did not grant any DSUs pursuant to the DSU Plan to its NEOs nor its directors.

Group Benefits/Perquisites

The officers of the Corporation have the option to benefit from life, medical and long-term disability insurance. None of the officers benefits from any retirement plan. All such benefits are also offered to the Corporation's employees.

Executive Compensation-Related Fees

Executive Compensation-Related Fees

"Executive Compensation-Related Fees" consist of fees for professional services billed by each consultant or advisor, or any of its affiliates, that are related to determining compensation for any of the Corporation's directors and executive officers. Hexarem billed the Corporation an amount of $60,159.23 in Executive Compensation-Related Fees for services rendered during the fiscal year ended March 31, 2022, and $5,168.75 during the fiscal year ended March 31, 2021.

All Other Fees

"All Other Fees" consist of fees for services that are billed by each consultant or advisor mentioned above and which are not reported under "Executive Compensation-Related Fees". The Corporation was not billed any Other Fees during the fiscal years ended March 31, 2022 and March 31, 2021.

Assessment of Risks Associated with the Corporation's Compensation Policies and Practices

The CCGC has assessed the Corporation's compensation plans and programs for its executive officers to ensure alignment with the Corporation's business plan and to evaluate the potential risks associated with those plans and programs. The CCGC has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Corporation.

The CCGC considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Corporation has not adopted a policy restricting its NEOs or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its NEOs or directors. To the knowledge of the Corporation, none of the NEOs or directors has purchased such financial instruments.

Summary of the Compensation of the Named Executive Officers

The following table sets out information for the fiscal years ended March 31, 2022, 2021 and 2020 regarding compensation paid to or earned by the NEOs:

Summary Compensation Table

Name and Principal Occupation	Year	Salary[1] ($)	Share-Based Awards[2] ($)	Option-Based Awards[3] ($)	Non-Equity Incentive Plan Compensation ($)		Pension Value[5] ($)	All other Compensations ($)	Total Compensation[6] ($)
					Annual Incentive Plans[4]	Long-Term Incentive Plans			
Sébastien Mailhot President and Chief Executive Officer	2022	295,847	—	40,335	127,125	—	—	—	463,307
	2021	256,132	—	91,748	146,250	—	—	—	494,130
	2020	264,742[7]	—	46,245	—	—	—	—	319,429
David Montpetit[8] Chief Financial Officer	2022	219,256	—	24,201	57,889	—	—	—	301,346
	2021	183,548	—	26,423	72,563	—	—	—	282,534
	2020	41,538	—	11,099	—	—	—	—	52,637
Robert Desautels Chief Technology Officer	2022	234,914	—	4,034	45,920	—	—	—	284,868
	2021	206,816	—	11,010	63,525	—	—	—	281,351
	2020	219,211	—	12,717	—	—	—	—	240,370

(1) This column discloses the actual salary earned during the fiscal year indicated.

(2) The Board of Directors adopted the RSU Plan on June 21, 2016, which forms part of the Corporation's long-term incentive compensation arrangements available for its Named Executive Officers, other officers and key employees, and consultants to the Corporation. For further details, reference is made to section entitled "RSU Plan" on page 18 of the Circular.

(3) This column discloses the total value of Options at the time of grant. **These figures do not reflect the current value of the Options or the value, if any, that may be realized if and when the Options are exercised.** The value of the Option awards was calculated using the Black-Scholes option-pricing model using the same assumptions used for determining the equity-based compensation expense in the Corporation's financial statements for the fiscal years ended March 31, 2022, 2021 and 2020 in accordance with International Financial Reporting Standards 2 ("**IFRS 2**"). These assumptions are:

	Fiscal year 2022	Fiscal year 2021	Fiscal year 2020	
	February 17, 2022	March 10, 2021	February 17, 2020	August 26, 2019
Exercise price:	$0.115	$0.09	$0.08	$0.13
Risk-free interest rate:	1.74%	0.91%	1.37%	1.21%
Expected life of Options:	5.0 years	5.0 years	5.0 years	6.6 years
Expected volatility factor:	98.17%	95.19%	62.14%	63.41%
Dividend yield:	0%	0%	0%	0%
Forfeiture rate:	9.14%	8.34%	7.53%	7.29%
Fair value of granted Options:	$0.08	$0.07	$0.05	$0.08

The Black-Scholes model was selected by the Corporation as it is the most widely adopted and used option-valuation method.

(4) The amounts disclosed in the column are granted as annual cash bonuses and are attributable in the fiscal year indicated.

(5) The Corporation does not have a retirement plan.

(6) **The total compensation value does not represent the real cash compensation earned by the Named Executive Officer during these fiscal years.**

(7) Sébastien Mailhot was appointed as President, Chief Executive Officer and director of the Corporation effective on April 1, 2020. Mr. Mailhot acted as interim Chief Financial Officer of the Corporation from August 7, 2019 to January 13, 2020.

(8) David Montpetit was appointed as Chief Financial Officer of the Corporation on January 13, 2020.

The total compensation of the NEOs, as shown in the Summary Compensation Table, consists, in part, of Options that have a value which does not constitute a cash amount received by the NEOs. The amounts attributed to Options are at risk and the Options may ultimately have no value.

Incentive Plan Awards

The following table sets out the details of all Options and share-based awards held by the NEOs as at March 31, 2022, the end of the Corporation's last fiscal year:

	Option-Based Awards				Share-Based Awards[2]		
Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price ($)	Option Expiration Date	Value of Unexercised In-the-Money Options[1] ($)	Number of Shares or Units of Shares That Have Not Vested (#)	Market or Payout Value of Share-based Awards That Have Not Vested ($)	Market or Payout Value of Vested Share-based Awards Not Paid or Distributed ($)
Robert Desautels	300,000 125,000 100,000 275,000 150,000 50,000	0.19 0.19 0.13 0.08 0.09 0.115	April 11, 2023 December 17, 2028 August 26, 2029 February 17, 2025 March 10, 2026 February 17, 2027	— — — 6,875 2,250 —	—	—	—
Sébastien Mailhot	200,000 200,000 100,000 200,000 300,000 1,000,000 1,250,000 500,000	0.33 0.53 0.33 0.19 0.13 0.08 0.09 0.115	July 2, 2025 December 8, 2026 June 22, 2027 December 17, 2028 August 26, 2029 February 17, 2025 March 10, 2026 February 17, 2027	— — — — 25,000 18,750 — —	—	—	—
David Montpetit	240,000 360,000 300,000	0.08 0.09 0.115	February 17, 2025 March 10, 2026 February 17, 2027	6,000 5,400 —	—	—	—

(1) This column sets out the aggregate value of in-the-money unexercised Options as at March 31, 2022, calculated based on the difference between the market price of the Class A common shares underlying the Options as at March 31, 2022 ($0.105), the last trading day during the fiscal year ended March 31, 2022, and the exercise price of the Options.

(2) The Board of Directors adopted a the RSU Plan on June 21, 2016, which forms part of the Corporation's long-term incentive compensation arrangements available for its Named Executive Officers, other officers and key employees, and consultants to the Corporation.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out, for each NEO, the value of option-based awards and share-based awards which vested during the fiscal year ended March 31, 2022 and the value of non-equity incentive plan compensation earned during the fiscal year ended March 31, 2022:

Name	Option-Based Awards – Value Vested During the Year[1] ($)	Share-Based Awards – Value Vested During the Year[2] ($)	Non-Equity Incentive Plan Compensation – Value Earned During the Year ($)
Robert Desautels	12,876	—	—
Sébastien Mailhot	73,648	—	—
David Montpetit	19,411	—	—

(1) Calculated based on the difference between the market price of the shares underlying the Options at the vesting date and the exercise price of the Options on such vesting date.

(2) The Board of Directors adopted the RSU Plan on June 21, 2016, which forms part of the Corporation's long-term incentive compensation arrangements available for its Named Executive Officers, other officers and key employees, and consultants to the Corporation.

Termination and Change of Control Benefits

Employment Agreement with Sébastien Mailhot

The Corporation has entered into an employment agreement for an indeterminate term with Sébastien Mailhot, Chief Executive Officer of the Corporation. In addition to his base salary, Mr. Mailhot is eligible to receive a performance bonus calculated as a percentage of his annual base salary and tied to attaining objectives which are determined on an annual basis. Mr. Mailhot's remuneration is reviewed annually by the CCGC. Pursuant to his employment agreement, Mr. Mailhot has given, among other things, a non-disclosure undertaking to the Corporation. In the event of the termination of Mr. Mailhot's employment by the Corporation without reasonable cause, he is entitled to receive payment in an amount equal to one and one half times his annual compensation, that is, his base salary for the current year plus an amount corresponding to the average of the last two years of bonuses approved by the Board of Directors, with an additional amount corresponding to one month of his annual compensation per year of service starting on April 1, 2020, for a maximum of twice his annual compensation. In the event of a termination without reasonable cause following a change of control of the Corporation, Mr. Mailhot is entitled to receive payment in an amount equal to twice his annual compensation. The amount that Mr. Mailhot would have been entitled to receive if the Corporation had terminated his employment without reasonable cause as at March 31, 2022 is $632,579, and the amount that would have been payable to him if a change of control had taken place on March 31, 2022 is $810,567.

Employment Agreement with David Montpetit

The Corporation has entered into an employment agreement for an indeterminate term with David Montpetit, Chief Financial Officer of the Corporation. In addition to his base salary, Mr. Montpetit is eligible to receive a performance bonus calculated as a percentage of his annual base salary and tied to attaining personal and corporate objectives which are determined on an annual basis. Mr. Montpetit's remuneration is reviewed annually by the President of the Corporation and approved by the CCGC. Pursuant to his employment agreement, which was recently amended to incorporate termination and change of control benefits, Mr. Montpetit has given, among other things, a non-disclosure undertaking to the Corporation. In the event of the termination of Mr. Montpetit's employment without reasonable cause, he is entitled to receive payment in an amount equal to six months of his base salary plus an additional amount corresponding to one month of his base salary per year of service starting on April 1, 2022, for a maximum of twelve months of his base salary. In the event of a termination without reasonable cause following a change of control of the Corporation, Mr. Montpetit is entitled to receive payment in an amount equal to his annual compensation, that is, his base salary for the current year plus an amount corresponding to the average of the last two years of bonuses approved by the Board of Directors. If the recent amendments to Mr. Montpetit's employment agreement had been in force on March 31, 2022, the amount that Mr. Montpetit would have been entitled to receive if the Corporation had terminated his employment without reasonable cause as at March 31, 2022 is $109,628, and the amount that would have been payable to him if a change of control had taken place on March 31, 2022 is $284,482.

Employment Agreement with Robert Desautels

The Corporation has entered into an employment agreement for an indeterminate term with Robert Desautels, Chief Technology Officer of the Corporation. In addition to his base salary, Mr. Desautels is eligible to receive a performance bonus calculated as a percentage of his annual base salary and tied to attaining objectives which are determined on an annual basis. Mr. Desautels' remuneration is reviewed annually by the President of the Corporation and approved by the CCGC. Pursuant to his employment agreement, Mr. Desautels has given, among other things, a non-disclosure undertaking to the Corporation. In the event of the termination of Mr. Desautels' employment without reasonable cause, he is entitled to receive payment in an amount equal to one month of his base salary per completed year of service plus an amount corresponding to the average of the last two years in proportion to the number of months of his leave period, for a maximum of twelve months of his base salary. In the event of a termination without reasonable cause following a change of control of the Corporation, Mr. Desautels is entitled to receive payment in an amount equal to his annual compensation, that is, his base salary for the current year plus an amount corresponding to the average of the last two years of bonuses approved by the Board of Directors. The amount that Mr. Desautels would have been entitled to receive if the Corporation had terminated his employment without reasonable cause as at March 31, 2022 is $193,091, and the amount that would have been payable to him if a change of control had taken place on March 31, 2022 is $289,637.

Director Compensation

The CCGC will make recommendations to the Board of Directors on the compensation and number of DSUs and Options, if any, to be granted to each independent director in any given year based on, among other factors, general market and economic conditions, the performance of the Corporation, the time devoted by the independent directors for their respective

roles as director or member of any committee of the Board of Directors, peer group comparisons as well as recruitment, retention and motivation considerations. DSUs were granted to independent directors in 2016 as part of the Corporation's long-term incentive compensation arrangement for its independent directors. The Corporation did not grant additional DSUs pursuant to the DSU Plan to its directors since the aforementioned 2016 grants.

It should also be noted that during the fiscal year ended on March 31, 2022, the CCGC retained the services of Hexarem to provide a benchmarking analysis and to advise the Corporation on the competitiveness and appropriateness of compensation programs offered to its directors. For further details, reference is made to the section entitled "Comparative Group and External Compensation Consultant" on page 11 of the Circular.

For the fiscal year ended March 31, 2022, the independent directors of the Corporation were compensated as follows:

- The Corporation did not grant DSUs pursuant to the DSU Plan to its directors. Options were granted to one independent director in June 2021. The CCGC will not be granting any DSUs or Options to independent directors in the near future to be consistent with best Canadian corporate practices and institutional investor guidelines;

- the Chair of the Board of Directors received an annual fee of $35,000 while the other independent directors received annual fees of $16,500;

- the Chair of each Board of Directors' Committee receives fees in an amount of $8,000 per year; and

- independent directors received meeting fees of $1,000 per day for each meeting of the Board of Directors and for each meeting of a Board of Directors' Committee; such amount was reduced to $750 for meetings in which the director participated by telephone or videoconference.

As of April 1, 2022, the Chair of the Board of Directors will receive an annual fee of $72,500, the other independent directors will receive annual fees of $42,500, the Chair of each Board of Directors' Committee will receive annual fees in an amount of $8,000, and meeting fees will no longer be paid to independent directors. No changes had been made to the independent directors' compensation structure since April 1, 2017.

Share Ownership Policy

On February 12, 2020, the Board of Directors has adopted a share ownership policy to align the interests of directors with those of shareholders. Pursuant to such policy, non-executive directors have a maximum period of three (3) years to acquire common shares of the Corporation having a value, at the time of acquisition, equal to one (1) time their annual fees (excluding meeting fees) as at February 12, 2020. New directors have a maximum period of three (3) years from the date of their election or appointment to comply with the share ownership policy and acquire common shares of the Corporation having a value, at the time of acquisition, equal to one (1) time the annual fee (excluding meeting fees) payable to directors as at the date of their election or appointment. Common Shares as well as "in-the-money" vested options, DSUs, RSUs or similar types of equity-based awards available under the Corporation's long-term incentive plans, count towards meeting the share ownership policy. On February 11, 2022, the Board of Directors has decided to adjust the number of common shares of the Corporation required to be owned by each independent director in connection with the new compensation structure in place as at April 1, 2022 described above. Each non-executive director has three (3) years from April 1, 2022 to acquire additional common shares of the Corporation since compensation amounts were increased. New non-executive directors will have a maximum period of three (3) years from the date of their election or appointment to comply with the share ownership policy and acquire common shares of the Corporation having a value, at the time of acquisition, equal to one (1) time the annual fee payable to directors as at the date of their election or appointment.

As at August 4, 2022, Denis Chamberland, Louis P. Bernier and Luc Martin have met the share ownership policy described above.

The following table sets out the details of the compensation of the independent directors of the Corporation for the fiscal year ended March 31, 2022:

Name	Fees earned[1] ($)	Share-based awards[2] ($)	Option-based awards[3] ($)	Non-equity incentive plan compensation[4] ($)	Pension value[5] ($)	All other compensation[6] ($)	Total[7] ($)
Louis P. Bernier	39,894	—	—	n/a	n/a	n/a	39,894
Brigitte Bourque	34,381	—	—	n/a	n/a	n/a	34,381
Denis Chamberland	54,463	—	—	n/a	n/a	n/a	54,463
Zrinka Dekic[8]	9,163	—	—	n/a	n/a	n/a	9,163
Luc Martin	38,584	—	—	n/a	n/a	n/a	38,584
Jean-Pierre Trahan[9]	28,321	—	2,284	n/a	n/a	n/a	30,606
Robert Copple[10]	2,579	—	—	n/a	n/a	n/a	2,579
Ève Laurier[11]	17,813	—	—	n/a	n/a	n/a	17,813
Total	**225,199**	—	2,284	n/a	n/a	n/a	**227,483**

(1) This amount represents the annual fees earned by each of the directors.

(2) The Board of Directors adopted the DSU Plan on June 21, 2016, which forms part of the Corporation's long-term incentive compensation arrangements available for NEOs and the independent directors of the Corporation. For further details, reference is made to section entitled "DSU Plan" on page 19 of the Circular.

(3) This column discloses the total value of Options at the time of grant. **These figures do not reflect the current value of the Options or the value, if any, that may be realized if and when the Options are exercised.** The value of the option awards was calculated using the Black-Scholes option-pricing model using the same assumptions used for determining the equity-based compensation expense in the Corporation's financial statements for the fiscal year ended March 31, 2022 in accordance with IFRS 2. These assumptions are:

	Fiscal year 2022
	June 10, 2021
Exercise price:	$0.12
Risk-free interest rate:	0.82%
Expected life of Options:	5.0 years
Expected volatility factor:	96.56%
Dividend yield:	0%
Forfeiture rate:	8.71%
Fair value of granted Options:	$0.09

The Black-Scholes model was selected by the Corporation as it is the most widely adopted and used option-valuation method.

(4) The Corporation did not have a non-equity incentive plan at the end of the fiscal year ended March 31, 2022.

(5) The Corporation does not have a pension plan.

(6) The Corporation does not offer any other type of compensation to the directors.

(7) **The total compensation value does not represent the real cash compensation earned by the independent directors during the fiscal year ended March 31, 2022.**

(8) Zrinka Dekic was appointed as a director of the Corporation on December 20, 2021.

(9) Jean-Pierre Trahan was appointed as a director of the Corporation on April 26, 2021.

(10) Robert Copple resigned as a director of the Corporation on April 26, 2021.

(11) Ève Laurier resigned as a director of the Corporation on December 20, 2021.

Incentive Plan Awards

The following table sets out the details of all Options and share-based awards held by the independent directors of the Corporation within the meaning of National Instrument 52-110 *Audit Committees* as at March 31, 2022, the end of the Corporation's last fiscal year:

	Option-Based Awards				Share-Based Awards[2]		
Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price ($)	Option Expiration Date	Value of Unexercised In-the-Money Options[1] ($)	Number of Shares or Units of Shares that have not Vested (#)	Market or Payout Value of Share-Based Awards That Have Not Vested[3] ($)	Market or Payout Value of Vested Share-Based Awards Not Paid or Distributed[3] ($)
Louis P. Bernier	40,000 17,500 50,000 40,000 40,000	0.27 0.09 0.33 0.19 0.14	August 13, 2024 March 10, 2026 August 14, 2027 December 17, 2028 August 12, 2029	— 263 — — —	—	—	8,160
Brigitte Bourque	57,500 40,000 40,000	0.09 0.16 0.14	March 10, 2026 February 21, 2029 August 12, 2029	863 — —	—	—	—
Denis Chamberland	30,000 82,500	0.08 0.09	February 17, 2025 March 10, 2026	750 1,238	—	—	—
Zrinka Dekic[4]	—	—	—	—	—	—	—
Luc Martin	30,000 45,000	0.08 0.09	February 17, 2025 March 10, 2026	750 675	—	—	—
Jean-Pierre Trahan[5]	25,000	0.12	June 10, 2026	—	—	—	—

(1) This column sets out the aggregate value of in-the-money unexercised options as at March 31, 2022, calculated based on the difference between the market price of the Class A common shares underlying the Options as at March 31, 2022 ($0.105), the last trading day in the fiscal year ended March 31, 2022, and the exercise price of the Options.

(2) The Board of Directors adopted a Deferred Share Unit Plan on June 21, 2016, which forms part of the Corporation's long-term incentive compensation arrangements available for Named Executive Officers and the independent directors of the Corporation.

(3) These amounts are equal to the number of DSUs granted multiplied by volume weighted average trading price of the Class A common shares on the TSX for the five (5) consecutive trading days ended March 31, 2022 ($0.102). These amounts do not reflect the current value of the DSUs or the value, if any, that may be received when the DSUs are settled. The vested DSUs are payable upon the termination date of the independent director.

(4) Zrinka Dekic was appointed as a director of the Corporation on December 20, 2021.

(5) Jean-Pierre Trahan was appointed as a director of the Corporation on April 26, 2021.

Incentive Plan Awards – Value Vested or Earned During the Year

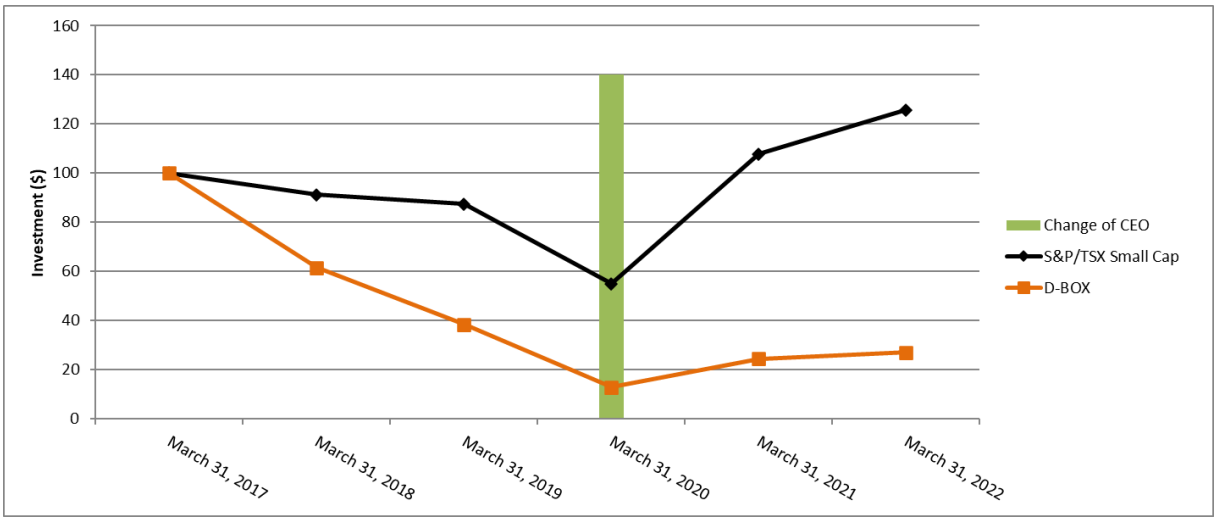
The following table sets out, for each independent director, the value of option-based awards and share-based awards which vested during the fiscal year ended March 31, 2022 and the value of non-equity incentive plan compensation earned during the fiscal year ended March 31, 2022:

Name	Option-Based Awards – Value Vested During the Year[1] ($)	Share-Based Awards – Value Vested During the Year[2] ($)	Non-Equity Incentive Plan Compensation – Value Earned During the Year ($)
Louis P. Bernier	1,790	—	n/a
Brigitte Bourque	3,466	—	n/a
Denis Chamberland	3,788	—	n/a
Zrinka Dekic[3]	—	—	n/a
Luc Martin	2,238	—	n/a
Jean-Pierre Trahan[4]	1,049	—	n/a
Robert Copple[5]	—	—	n/a
Ève Laurier[6]	—	—	n/a

(1) Calculated based on the difference between the market price of the shares underlying the Options at the vesting date and the exercise price of the Options on such vesting date.
(2) The Board of Directors adopted the DSU Plan on June 21, 2016, which forms part of the Corporation's long-term incentive compensation arrangements available for Named Executive Officers and the independent directors of the Corporation.
(3) Zrinka Dekic was appointed as a director of the Corporation on December 20, 2021.
(4) Jean-Pierre Trahan was appointed as a director of the Corporation on April 26, 2021.
(5) Robert Copple resigned as a director of the Corporation on April 26, 2021.
(6) Ève Laurier resigned as a director of the Corporation on December 20, 2021.

Performance Graph

The line graph below sets out the cumulative total shareholder return over the five most recently completed financial years of the Corporation, assuming that $100 was invested at the closing price on March 31, 2017, compared with the cumulative total return of the same amount invested in the S&P / TSX SmallCap Index since March 31, 2017 (assuming all dividends are reinvested).



	March 31, 2017	March 31, 2018	March 31, 2019	March 31, 2020	March 31, 2021	March 31, 2022
S&P/TSX SmallCap	$100	$91.25	$87.39	$55.00	$107.72	$125.76
D-BOX	$100	$61.54	$38.46	$12.82	$24.36	$26.92

The outbreak of the COVID-19 pandemic and the government-imposed restrictions and mandated closures of nonessential businesses in response thereto have had an unprecedented impact on the Corporation. While restrictions to control the spread of COVID-19 were applied at different degrees depending on the countries and regions since March 2020, most commercial entertainment venues operated at limited capacity and, in the case of the theatrical market, a significant number of commercial theatres were temporarily closed or were constrained with social distancing rules and local government business restrictions. Consequently, a significant number of blockbuster movies were postponed to a later date, thereby adversely affecting the demand for the Corporation's products, activities, revenues, profitability, financial condition, results of operations and the trading price of its securities. For those reasons, and in general, management of the Corporation does not believe that the above performance graph is representative of the Corporation's efforts relating to the implementation of its business plan and various strategies, such as the attainment of sales, production cost-cutting, technology deployment and brand-recognition objectives. The trading price of the Corporation's shares depends on several factors that are beyond the Corporation's control, such as investors' perceptions in relation to the future of the Corporation's industry, and unfavorable economic conditions, to only name a few.

In the past five years, two NEO positions were eliminated, namely the Chief Business Development Officer and the Chief Operating Officer. The NEO who served as Chief Business Development Officer retired in December 2019, and the NEO who served as Chief Operating Officer was appointed as President and Chief Executive Officer of the Corporation on April 1, 2020. The duties and responsibilities attached to those two positions are now performed and held by other employees. It should be noted that the Chief Executive Officer who was appointed on April 1, 2020 implemented new business development strategies that will progressively be deployed over the next few years.

The total compensation of the NEOs, as shown in the Summary Compensation Table on page 21 of the Circular, has remained relatively stable in the recent years. Moreover, during the fiscal year ended March 31, 2020, the CCGC did not approve the payment of any bonuses to the NEOs to ensure the Corporation's sustainability in the context of the COVID-19 pandemic, and because corporate objectives were not all met to the satisfaction of the CCGC.

The market price for shares is only one of many factors that the CCGC will take into consideration when reviewing and making recommendations to the Board of Directors with respect to the Corporation's compensation and benefit programs for the NEOs. The CCGC will also consider other factors such as the development, over the years, of new products and new markets, the competitive positioning of the Corporation, the achievement of personal and corporate objectives, market and economic conditions, levels of responsibility and accountability of each NEO, skill and competencies of the NEO, retention considerations and level of demonstrated performance.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain details as at March 31, 2022, the end of the Corporation's last fiscal year, with respect to compensation plans pursuant to which equity securities of the Corporation are authorized for issuance:

Plan Category	Number of shares to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of shares remaining available for future issuance under the Equity Compensation Plans (excluding securities reflected in column (a)) (c)
Equity compensation plans previously approved by shareholders	12,691,034	$0.15	9,331,523
Equity compensation plans not previously approved by shareholders	n/a	n/a	n/a

The Options referred to in the table above were granted pursuant to the 2015 Plan and the 2011 Plan.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at August 4, 2022, none of the executive officers, directors, nominees for election as director, employees or former executive officers, directors or employees of the Corporation or any of its subsidiaries were indebted to the Corporation or any of its subsidiaries and, as at the same date, the indebtedness, if any, of such persons to other entities was not the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any subsidiary thereof.

None of the: (i) persons who are or who were, at any time during the fiscal year ended March 31, 2022, directors or executive officers of the Corporation; (ii) proposed nominees for election as a director of the Corporation; or (iii) associates of any such director, executive officer or proposed nominee, were, at any time during the fiscal year ended March 31, 2022, indebted to: (a) the Corporation or any of its subsidiaries; or (b) another entity, if such indebtedness has been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any subsidiary thereof, other than "routine indebtedness" as defined in National Instrument 51-102 *Continuous Disclosure Obligations*.

AUDIT COMMITTEE INFORMATION

Reference is made to the section entitled "Information Regarding the Audit Committee" of the Corporation's Annual Information Form for the fiscal year ended March 31, 2022 for required disclosure relating to the Audit Committee. The Annual Information Form is available on SEDAR at www.sedar.com and can be obtained by contacting the Vice President, Legal Affairs of the Corporation at 2172 de la Province Street, Longueuil, Québec, J4G 1R7, or by telephone at 450-999-4074.

APPOINTMENT AND REMUNERATION OF AUDITORS

Ernst & Young LLP have served as the auditors of the Corporation since February 4, 2004. Except where authorization to vote with respect to the appointment of auditors is withheld, the persons named in the accompanying form of proxy intend to vote **FOR** the appointment of Ernst & Young LLP as the auditors of the Corporation until the following annual meeting of the shareholders, at such remuneration as may be determined by the Board of Directors.

RATIFICATION AND APPROVAL OF AMENDED AND RESTATED SHAREHOLDER RIGHTS PLAN

On July 26, 2022, the Board of Directors of the Corporation approved the amendment and renewal of the Corporation's shareholder rights plan and, on July 29, 2022, the Corporation and Computershare Investor Services Inc. entered into a third amended and restated shareholder rights plan agreement (the "**Rights Plan**").

The original shareholder rights plan of the Corporation was adopted by the Board of Directors of the Corporation in June 2013 and confirmed and ratified by the shareholders on August 14, 2013. It was first renewed on July 8, 2016 and confirmed and ratified by the shareholders on August 17, 2016. It was subsequently amended and restated on June 16, 2019, and it was approved once more by the shareholders of the Corporation on August 7, 2019. The Rights Plan is scheduled to expire at the Meeting. In order for the Rights Plan, as so amended, to continue in effect after the Meeting, the resolution in the form annexed as Schedule A to the Circular (the "**Shareholder Rights Plan Resolution**") must be ratified and approved by a majority of the votes cast by shareholders, either present in person or represented by proxy at the Meeting. If the Shareholder Rights Plan Resolution is not passed, the Rights Plan will terminate on September 14, 2022. If the Shareholder Rights Plan Resolution is passed, the Rights Plan will require reconfirmation by the Corporation's shareholders at the annual meeting of shareholders to be held in 2025 and thereafter at such annual meeting of the shareholders of the Corporation to be held every three years.

Purpose of the Rights Plan

The purpose of the Rights Plan is to ensure equal treatment of shareholders and to give adequate time for shareholders to properly assess the merits of a bid without undue pressure, and to allow competing bids to emerge. The Rights Plan is designed to give the Board of Directors of the Corporation time to consider alternatives, allowing shareholders to receive full and fair value for their shares. The Rights Plan was not renewed by the Board of Directors of the Corporation in response to any acquisition proposal and is not designed to secure the continuance in office of the current management or the directors of the Corporation. The renewal of the Rights Plan does not in any way lessen the duties of the directors to fully and fairly examine all bids which may be made to acquire the Class A common shares of the Corporation and to exercise such duties with a view to the best interest of the shareholders and the Corporation.

Before deciding to amend and renew the Rights Plan, the Board of Directors considered the current shareholdings of the Corporation and the legislative framework in Canada governing takeover bids. To the Corporation's knowledge, other than as described above under "Principal Holders", no person holds more than 10% of all the outstanding Class A common shares of the Corporation. Therefore, a person could acquire a *de facto* control of the Corporation through the purchase of a number of Class A common shares that would represent a percentage of Class A common shares below 50% by entering into private acquisition agreements without having to make an offer to all of the shareholders.

Under provincial securities legislation, a takeover bid generally means an offer to acquire voting or equity voting shares of a corporation that, together with shares already owned by the bidder and certain parties related thereto, amount to 20% or more of the outstanding shares of that class.

Under the legislative framework for takeover bids in Canada, as amended on May 9, 2016, shareholders may not be treated equally if an important number of Class A common shares is acquired pursuant to a private agreement in which a small group of shareholders or a shareholder disposes of its Class A common shares at a premium to market price, which premium is not shared with the other shareholders of the Corporation. In addition, a person may gradually accumulate Class A common shares through stock exchange acquisitions which results in an acquisition of control of the Corporation, without payment of fair value for control or a fair sharing of a control premium amongst all shareholders. The Rights Plan addresses these concerns by applying to all acquisitions of 20% or more of the Class A common shares of the Corporation, ensuring that shareholders receive equal treatment.

The issue of rights (the "**Rights**") will not in any way adversely alter the financial condition of the Corporation and will not change the way in which shareholders trade their Class A common shares. However, by permitting holders of Rights other than an "Acquiring Person" (as defined below) to acquire additional Class A common shares of the Corporation at a discount

to market value, the Rights may cause substantial dilution to a person or group that acquires 20% or more of the outstanding Class A common shares other than by way of a "Permitted Bid" (as defined below). A potential bidder can avoid the dilutive features of the Rights Plan by making a bid that conforms to the requirements of a Permitted Bid.

The Corporation has reviewed the Rights Plan for conformity with current practices of Canadian companies with respect to shareholder protection rights plans. We believe that the Rights Plan preserves the fair treatment of shareholders, is consistent with best Canadian corporate practices and addresses institutional investor guidelines.

Amendments to the Rights Plan

Following the Corporation's review of current practices of Canadian companies with respect to shareholder protection plans, the Rights Plan contains certain proposed amendments, including:

- amendments to the definitions of "Beneficially Owned" and "Permitted Lock-Up Agreement";
- the inclusion of certain clarifications with respect to "Redemption of Rights" and "Waiver of Flip-In Events";
- certain other housekeeping and conforming changes.

The purpose and principal terms of the Rights Plan, including the proposed amendments, are set forth below in this Circular.

Terms of the Rights Plan

The following is a summary of the features of the Rights Plan. The summary is qualified in its entirety by the full text of the Rights Plan, a copy of which is available on SEDAR at www.sedar.com and can be obtained by contacting the Corporate Secretary of the Corporation at 2172 de la Province Street, Longueuil, Québec, J4G 1R7, or by telephone at (450) 999-4074. All capitalized terms used in this summary without definition have the meanings attributed to them in the Rights Plan unless otherwise indicated.

Issuance of Rights

In order to implement the rights plan in 2013, the Board of Directors authorized the issue on June 18, 2013 of one Right in respect of each Class A common share outstanding at the close of business on June 18, 2013, the date of implementation of the Rights Plan. The Board of Directors also authorized the issue of one Right for each Class A common share issued after such date and prior to the earlier of the Separation Time and the Expiration Time. If the Rights Plan is approved by shareholders at the Meeting, the Corporation will continue to issue one Right for each Class A common share subsequently issued. Each Right entitles the registered holder thereof to purchase from the Corporation that number of Class A common shares having an aggregate purchase price on the date of the Flip-in Event equal to twice the Exercise Price (which shall be an amount equal to four times the Market Price per Class A common share determined as at the Separation Time (the "**Exercise Price**")) for an amount in cash equal to the Exercise Price, subject to adjustment and certain anti-dilution provisions. The Rights are not exercisable until the Separation Time.

The Corporation is not required to issue or deliver Rights, or securities upon the exercise of Rights, outside Canada where such issuance or delivery would be unlawful without registration of the relevant Persons or securities. If the Rights Plan would require compliance with securities laws or comparable legislation of a jurisdiction outside Canada, the Board of Directors may establish procedures for the issuance to a Canadian resident fiduciary of such securities, to hold such Rights or other securities in trust for the Persons beneficially entitled to them, to sell such securities, and to remit the proceeds to such Persons.

Trading of Rights

Until the Separation Time (or the earlier termination or expiration of the Rights), the Rights will be evidenced by the certificates representing the Class A common shares and will be transferable only together with the associated Class A common shares. From and after the Separation Time, separate certificates evidencing the Rights ("**Rights Certificates**") will be mailed to holders of record of Class A common shares (other than an "Acquiring Person") as of the Separation Time. Rights Certificates will also be issued in respect of Class A common shares issued prior to the Expiration Time, to each holder (other than an "**Acquiring Person**") converting, after the Separation Time, securities ("**Convertible Securities**")

convertible into or exchangeable for Class A common shares. The Rights will trade separately from the Class A common shares after the Separation Time.

Separation Time

The Separation Time is the close of business on the tenth Trading Day after the earlier of (i) the "Stock Acquisition Date", which is generally the first date of public announcement of facts indicating that a Person has become an "Acquiring Person"; and (ii) the date of the commencement of, or first public announcement of the intent of any Person (other than the Corporation or any subsidiary of the Corporation) to commence a Take-over Bid (other than a Permitted Bid or a Competing Permitted Bid, as such terms are defined in the Rights Plan), and (iii) the date on which a Permitted Bid or Competing Permitted Bid ceases to be such. In each case, the Separation Time can be such later date as may from time to time be determined by the Board of Directors. If a Take-over Bid expires, is cancelled, terminated or otherwise withdrawn prior to the Separation Time, it shall be deemed never to have been made.

Acquiring Person

In general, an Acquiring Person is a Person who is or becomes the Beneficial Owner of 20% or more of the outstanding Class A common shares. Excluded from the definition of "Acquiring Person" are the Corporation and its Subsidiaries, and any Person who becomes the Beneficial Owner of 20% or more of the outstanding Class A common shares as a result of one or more or any combination of a Permitted Bid Acquisition, an Exempt Acquisition, a Convertible Security Acquisition, a Pro Rata Acquisition or a Voting Share Reduction. The definitions of "Permitted Bid Acquisition", "Exempt Acquisition", "Convertible Security Acquisition", "Pro Rata Acquisition" and "Voting Share Reduction" are set out in the Rights Plan. However, in general:

(a) a "Permitted Bid Acquisition" means an acquisition of Class A common shares made pursuant to a Permitted Bid or a Competing Permitted Bid;

(b) an "Exempt Acquisition" means an acquisition of Class A common shares in respect of which the Board of Directors has waived the application of the Rights Plan, which was made pursuant to a dividend reinvestment plan of the Corporation, which was made pursuant to a distribution by the Corporation of Class A common shares or Convertible Securities made pursuant to a prospectus (provided that the Person does not thereby acquire a greater percentage of the Class A common shares or Convertible Securities so offered than the percentage owned immediately prior to such acquisition), which was made pursuant to a distribution by the Corporation of Class A common shares or Convertible Securities by way of a private placement, or which is made pursuant to an amalgamation, merger or other statutory procedure, not including a Take-over Bid, requiring shareholder approval;

(c) a "Convertible Security Acquisition" means an acquisition of Class A common shares upon the exercise of Convertible Securities received by such Person pursuant to a Permitted Bid Acquisition, Exempt Acquisition or a Pro Rata Acquisition;

(d) a "Pro Rata Acquisition" means an acquisition as a result of a stock dividend, a stock split or other event pursuant to which such Person receives or acquires Class A common shares or Convertible Securities on the same pro rata basis as all other holders of common shares of the same class; and

(e) a "Voting Share Reduction" means an acquisition or a redemption by the Corporation of Class A common shares, which by reducing the number of Class A common shares outstanding, increases the percentage of Class A common shares Beneficially Own by a Person.

Also excluded from the definition of "Acquiring Person" are underwriters or members of a banking or selling group acting in connection with a distribution of securities by way of prospectus or private placement, and a Person in its capacity as an Investment Manager, Trust Company, Plan Trustee, Statutory Body, Crown agent or agency or Manager (provided that such Person is not making or proposing to make a Take-over Bid).

Beneficial Ownership

General

In general, a Person is deemed to Beneficially Own Class A common shares actually held by others in circumstances where those holdings are or should be grouped together for purposes of the Rights Plan. Included are holdings by the Person's Affiliates (generally, a Person that controls, is controlled by, or under common control with another Person) and Associates (generally, relatives sharing the same residence). Also included are securities which the Person or any of the Person's Affiliates or Associates has the right to acquire within 60 days (other than (i) customary agreements with and between underwriters and banking group or selling group members with respect to a distribution to the public or pursuant to a private placement of securities; or (ii) pursuant to a pledge of securities in the ordinary course of business).

A Person is also deemed to "Beneficially Own" any securities that are Beneficially Owned by any other Person with which the Person is acting jointly or in concert (a "**Joint Actor**"). A Person is a Joint Actor with any Person who is a party to an agreement, arrangement or understanding with the first Person or an Associate or Affiliate thereof to acquire or offer to acquire Class A common shares.

Additionally, a Person is deemed to beneficially own any securities that are subject to a lock-up or similar agreement to tender or deposit them to a Take-over Bid made by such Person.

Institutional Shareholder Exemptions from Beneficial Ownership

The definition of "Beneficial Ownership" contains several exclusions whereby a Person is not considered to "Beneficially Own" a security. There are exemptions from the deemed "Beneficial Ownership" provisions for institutional shareholders acting in the ordinary course of business. These exemptions apply to (i) an investment manager ("**Investment Manager**") which holds securities in the ordinary course of business in the performance of its duties for the account of any other Person (a "**Client**"), including the acquisition or holding of securities for non-discretionary accounts held on behalf of a Client by a broker or dealer registered under applicable securities laws); (ii) a licensed trust company ("**Trust Company**") acting as trustee or administrator or in a similar capacity in relation to the estates of deceased or incompetent persons (each an "**Estate Account**") or in relation to other accounts (each an "**Other Account**") and which holds such security in the ordinary course of its duties for such accounts; (iii) the administrator or the trustee (a "**Plan Trustee**") of one or more pension funds or plans (a "**Plan**") registered under applicable law; (iv) a Person who is a Plan or is a Person established by statute (the "**Statutory Body**"), and its ordinary business or activity includes the management of investment funds for employee benefit plans, pension plans, insurance plans, or various public bodies; (v) a Crown agent or agency. The foregoing exemptions only apply so long as the Investment Manager, Trust Company, Plan Trustee, Plan, Statutory Body, Crown agent or agency, Manager or Mutual Fund is not then making or has not then announced an intention to make a Take-over Bid, other than an Offer to Acquire Class A common shares or other securities pursuant to a distribution by the Corporation or by means of ordinary market transactions.

A Person will not be deemed to "Beneficially Own" a security because (i) the Person is a Client of the same Investment Manager, an Estate Account or an Other Account of the same Trust Company, or Plan with the same Plan Trustee as another Person or Plan on whose account the Investment Manager, Trust Company or Plan Trustee, as the case may be, holds such security; or (ii) the Person is a Client of an Investment Manager, Estate Account, Other Account or Plan, and the security is owned at law or in equity by the Investment Manager, Trust Company or Plan Trustee, as the case may be.

Exemption for Permitted Lock-up Agreement

Under the Rights Plan, a Person will not be deemed to "Beneficially Own" any Class A common shares where the holder of such Class A common shares or Convertible Securities has agreed to deposit or tender such Class A common shares or Convertible Securities, pursuant to a Permitted Lock-up Agreement, to a Takeover Bid made by such Person or such Person's Affiliates or Associates or a Joint Actor, or such Class A common shares or Convertible Securities have been deposited or tendered pursuant to a Take-over Bid made by such Person or such Person's Affiliates, Associates or Joint Actors until the earliest time at which any such tendered Class A common shares or Convertible Securities are accepted unconditionally for payment or are taken up or paid for.

A Permitted Lock-up Agreement is essentially an agreement between a Person and one or more holders of Class A common shares and/or Convertible Securities (the terms of which are publicly disclosed and available to the public within the time frames set forth in the definition of Permitted Lock-up Agreement) pursuant to which each Locked-up Person agrees to deposit or tender Class A common shares and/or Convertible Securities to the Lock-up Bid and which further (i) permits the

Locked-up Person to withdraw its Class A common shares or Convertible Securities in order to deposit or tender the Class A common shares or Convertible Securities to another Take-over Bid or support another transaction at a price or value that exceeds the price under the Lock-Up Bid; or (ii) permits the Locked-up Person to withdraw its Class A common shares or Convertible Securities in order to deposit or tender the Class A common shares or Convertible Securities to another Take-over Bid or support another transaction at an offering price that exceeds the offering price in the Lock-up Bid by as much as or more than a Specified Amount and that does not provide for a Specified Amount greater than 7% of the offering price in the Lock-up Bid. The Rights Plan therefore requires that a Person making a Take-Over Bid structure any lock-up agreement so as to provide reasonable flexibility to the shareholder in order to avoid being deemed the Beneficial Owner of the Class A common shares or Convertible Securities subject to the lock-up agreement and potentially triggering the provisions of the Rights Plan. It is important to note that the Rights Plan requires that any such agreement be made available to the public (including the Corporation) and it must permit or must have the effect to permit the shareholder to withdraw the Class A common shares to tender to another takeover bid or to support another transaction that exceeds the value of the Lock-up Bid.

A Permitted Lock-up Agreement may contain a right of first refusal or require a period of delay to give the Person who made the Lock-up Bid an opportunity to match a higher price in another Take-over Bid or other similar limitation on a Locked-up Person's right to withdraw Class A common shares or Convertible Securities so long as the limitation does not preclude the exercise by the Locked-up Person of the right to withdraw Class A common shares or Convertible Securities during the period of the other Take-over Bid or transaction. Finally, under a Permitted Lock-up Agreement, no "break up" fees, "top up" fees, penalties, expenses or other amounts that exceed in aggregate the greater of (i) 2.5% of the price or value of the consideration payable under the Lock-up Bid, and (ii) 50% of the amount by which the price or value of the consideration received by a Locked-up Person under another Take-over Bid or transaction exceeds what such Locked-up Person would have received under the Lock-up Bid, can be payable by such Locked-up Person if the Locked-up Person fails to deposit or tender Class A common shares or Convertible Securities to the Lock-up Bid or withdraws Class A common shares or Convertible Securities previously tendered thereto in order to deposit such Class A common shares or Convertible Securities to another Take-over Bid or support another transaction.

Flip-in Event

A Flip-in Event occurs when any Person becomes an Acquiring Person. In the event that, prior to the Expiration Time, a Flip-in Event which has not been waived by the Board of Directors occurs (see "Redemption, Waiver and Termination"), each Right (except for Rights Beneficially Owned or which may thereafter be Beneficially Owned by an Acquiring Person, an Affiliate or Associate of an Acquiring Person or a Joint Actor (or a transferee of any such Person), which Rights will become null and void) shall constitute the right to purchase from the Corporation, upon exercise thereof in accordance with the terms of the Rights Plan, that number of Class A common shares having an aggregate purchase price on the date of the Flip-in Event equal to twice the Exercise Price, for an amount in cash equal to the Exercise Price (such Right being subject to anti-dilution adjustments). For example, if at the time of the Flip-in Event, the Market Price of the Class A common shares was $1.00, the Exercise Price would be $4.00 (being four times the Market Price), and the holder of each Right would be entitled to purchase Class A common shares having an aggregate purchase price of $8.00 (that is, eight Class A common shares) for $4.00 (that is, a 50% discount from the Market Price).

Permitted Bid and Competing Permitted Bid

A Permitted Bid is a Take-over Bid made by way of a Take-over Bid circular and which complies with the following additional provisions:

(a) the Take-over Bid is made to all registered holders of Class A common shares, other than the Offeror; and

(b) the Take-over Bid shall contain, and the take-up and payment for securities tendered or deposited thereunder shall be subject to, irrevocable and unqualified conditions that:

(i) no Class A common shares shall be taken up or paid for pursuant to the Take-over Bid unless more than 50% of the then outstanding Class A common shares held by Independent Shareholders (x) shall have been deposited or tendered pursuant to the Take-over Bid and not withdrawn and (y) have previously been or are taken up at the same time;

(ii) no Class A common shares shall be taken up or paid for pursuant to the Take-over Bid prior to the Close of Business on the date that is no earlier of than one hundred and five (105) days following the date of the Take-over Bid or such shorter period that a take-over bid (that is not exempt from the general take-over bid requirements of National Instrument 62-104 *Take-Over Bids and Issuer*

Bids ("**NI 62-104**")) must remain open for deposit and tender of Class A common shares thereunder, in the applicable circumstances at such, pursuant to NI 62-104;

(iii) Class A common shares may be deposited pursuant to such Take-over Bid, unless such Take-over Bid is withdrawn, at any time during the period of time described in section (b)(ii) above;

(iv) any Class A common shares deposited pursuant to the Take-over Bid may be withdrawn until taken up and paid for; and

(v) in the event that the requirement set forth in section (b)(i) above is satisfied, the Offeror will make a public announcement of that fact by indicating the number of Class A common shares and not withdrawn at such date and the Take-over Bid will remain open for deposits and tender of Class A common shares for not less than ten (10) days from the date of such public announcement;

provided always that a Permitted Bid will cease to be a Permitted Bid at any time when such bid ceases to meet any of the provisions of this definition and provided that, at such time, any acquisition of Class A common shares made pursuant to such Permitted Bid, including any acquisition of Class A common shares theretofore made, will cease to be a Permitted Bid Acquisition;

A Competing Permitted Bid is a Take-over Bid that is made after a Permitted Bid has been made but prior to its expiry, and that satisfies all the requirements of a Permitted Bid as described above, except that a Competing Permitted Bid is not required to remain open for 105 days so long as it is open for the minimum period of days a Take-over Bid must be open for acceptance as may be prescribed by NI 62-104, after the date of the Take-over Bid constituting the Competing Permitted Bid.

Redemption, Waiver and Termination

Redemption of Rights on Approval of Holders of Class A common shares and Rights. The Board of Directors acting in good faith may, after having obtained the prior approval of the holders of Class A common shares or Rights, at any time prior to the Separation Time, elect to redeem all but not less than all of the then outstanding Rights at a redemption price of $0.0001 per Right, appropriately adjusted for anti-dilution as provided in the Rights Plan (the "**Redemption Price**").

Waiver of Inadvertent Acquisition. The Board of Directors acting in good faith may waive or agree to waive the application of the Rights Plan in respect of the occurrence of any Flip-in Event if (A) the Board of Directors has determined that a Person became an Acquiring Person under the Rights Plan by inadvertence and without any intent or knowledge that it would become an Acquiring Person; and (B) the Acquiring Person has reduced (or has entered into contractual arrangements with the Corporation to do so) its Beneficial Ownership of Class A common shares such that at the time of waiver the Person is no longer an Acquiring Person.

Deemed Redemption. In the event that a Person who has made a Permitted Bid or a Take-over Bid in respect of which the Board of Directors has waived or has deemed to have waived the application of the Rights Plan consummates the acquisition of the Class A common shares, the Board of Directors shall be deemed to have elected to redeem the Rights for the Redemption Price.

Discretionary Waiver with Mandatory Waiver of Concurrent Bids. The Board of Directors acting in good faith may, prior to the occurrence of a Flip-in Event as to which application of the Rights Plan has not been waived, upon prior written notice to the Rights Agent, waive the application of the Rights Plan to a Flip-in Event that may occur by reason of a Take-over Bid made by means of a Take-over Bid circular to all holders of record of Class A common shares. However, if the Board of Directors waives the application of the Rights Plan, the Board of Directors shall be deemed to have waived the application of the Rights Plan in respect of any other Flip-in Event occurring by reason of such a Take-over Bid made prior to the expiry of a bid for which a waiver is, or is deemed to have been, granted.

Discretionary Waiver respecting Acquisition not by Take-over Bid Circular. The Board of Directors acting in good faith may, with the prior consent of the holders of Class A common shares, determine, at any time prior to the occurrence of a Flip-in Event as to which the application of the Rights Plan has not been waived, if such Flip-in Event would occur by reason of an acquisition of Class A common shares otherwise than pursuant to a Take-over Bid made by means of a Take-over Bid circular to holders of Class A common shares and otherwise than by inadvertence when such inadvertent Acquiring Person has then reduced (or has entered into contractual arrangements with the Corporation to do so) its holdings to below 20%, to waive the application of the Rights Plan to such Flip-in Event. However, if the Board of Directors waives the application of

the Rights Plan, the Board of Directors shall extend the Separation Time to a date subsequent to and not more than 10 Business Days following the meeting of shareholders called to approve such a waiver.

Redemption of Rights on Withdrawal or Termination of Bid. Where a Take-over Bid that is not a Permitted Bid is withdrawn or otherwise terminated after the Separation Time and prior to the occurrence of a Flip-in Event, the Board of Directors may elect to redeem all the outstanding Rights at the Redemption Price.

If the Board of Directors is deemed to have elected or elects to redeem the Rights as described above, the right to exercise the Rights will thereupon, without further action and without notice, terminate and the only right thereafter of the holders of Rights is to receive the Redemption Price. Within ten Business Days of any such election or deemed election to redeem the Rights, the Corporation will notify the holders of the Class A common shares or, after the Separation Time, the holders of the Rights.

Anti-Dilution Adjustments

The Exercise Price of a Right, the number and kind of securities subject to purchase upon exercise of a Right, and the number of Rights outstanding, will be adjusted in certain events, including:

(a) if there is a dividend payable in Class A common shares or Convertible Securities (other than pursuant to any optional stock dividend program, divided reinvestment plan or a dividend payable in Class A common shares in lieu of a regular periodic cash dividend) on the Class A common shares;

(b) or a subdivision or consolidation of the Class A common shares;

(c) or an issuance of Class A common shares or Convertible Securities in respect of, in lieu of or in exchange for Class A common shares; or

(d) if the Corporation fixes a record date for the distribution to all holders of Class A common shares of certain rights or warrants to acquire Class A common shares or Convertible Securities, or for the making of a distribution to all holders of Class A common shares of evidences of indebtedness or assets (other than regular periodic cash dividend or a dividend payable in Class A common shares) or rights or warrants.

Supplements and Amendments

The Corporation may make amendments to correct any clerical or typographical error or which are necessary to maintain the validity of the Rights Plan as a result of any change in any applicable legislation, rules or regulation. Any changes made to maintain the validity of the Rights Plan shall be subject to subsequent confirmation by the holders of the Class A common shares or, after the Separation Time, the holders of the Rights.

Subject to the above exceptions, after the Meeting, any amendment, variation or deletion of or from the Rights Plan and the Rights is subject to the prior approval of the holders of Class A common shares, or, after the Separation Time, the holders of the Rights.

The Board of Directors reserves the right to alter any terms of or not proceed with the Rights Plan at any time prior to the Meeting if the Board of Directors determines that it would be in the best interests of the Corporation and its shareholders to do so, in light of subsequent developments.

Expiration

If the Rights Plan is ratified and confirmed at the Meeting, it will remain in effect and in force until the earlier of the Termination Time (the time at which the right to exercise Rights shall terminate pursuant to the Rights Plan) and the termination of the Corporation's annual meeting of its shareholders to be held in 2025 and thereafter at such annual meeting of shareholders to be held every three years unless at or prior to such meeting the Corporation's shareholders ratify and reconfirm the continued existence of the Rights Plan, in which case the Rights Plan would expire at the earlier of the Termination Time and the termination of the Corporation's annual meeting of its shareholders to be held on the third year following such ratification and reconfirmation by the shareholders of the Corporation.

At the Meeting, shareholders will be asked to adopt the Shareholder Rights Plan Resolution, ratifying and approving the Rights Plan. In order to be adopted, the Shareholder Rights Plan Resolution must be approved by a majority of the votes cast by shareholders, either present in person or represented by proxy at the Meeting. **Unless otherwise specified, the persons named in the accompanying form of proxy intend to vote FOR the Shareholder Rights Plan Resolution.**

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

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

To the best of the Corporation's knowledge, no informed person of the Corporation, and no associate or affiliate of any such person, at any time since April 1, 2021, has or had any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction since April 1, 2021 that has materially affected the Corporation, in any proposed transaction that could materially affect the Corporation, or in any matter to be acted upon at this Meeting.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

The Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of (i) any person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, (ii) any nominee for election as director of the Corporation, or (iii) any associate or affiliate of the persons listed in (i) and (ii), in any matter to be acted upon at the Meeting, other than the election of directors.

SHAREHOLDER PROPOSALS

The *Canada Business Corporations Act* provides, in effect, that a registered holder or beneficial owner of shares that is entitled to vote at an annual meeting of the Corporation may submit to the Corporation notice of any matter that the person proposes to raise at the meeting (referred to as a "**Proposal**") and discuss at the meeting any matter in respect of which the person would have been entitled to submit a Proposal. The *Canada Business Corporations Act* further provides, in effect, that the Corporation must set out the Proposal in its management proxy circular along with, if so requested by the person who makes the Proposal, a statement in support of the Proposal by such person. However, the Corporation will not be required to set out the Proposal in its management proxy circular or include a supporting statement if, among other things, the Proposal is not submitted to the Corporation between 90 and 150 days before the anniversary date of the previous annual meeting of shareholders of the Corporation. As the date of the annual meeting of shareholders of the Corporation is September 14, 2022, a Proposal will have to be submitted to the Corporation in connection with the next annual meeting of shareholders between April 17 and June 16, 2023.

The foregoing is a summary only; shareholders should carefully review the provisions of the *Canada Business Corporations Act* relating to Proposals and consult with a legal advisor.

CORPORATE GOVERNANCE PRACTICES

National Policy 58-201 *Corporate Governance Guidelines* and National Instrument 58-101 *Disclosure of Corporate Governance Practices* set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer, such as the Corporation, must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Corporation's required annual disclosure of its corporate governance practices.

1. Board of Directors

The Board of Directors considers that Denis Chamberland, Louis P. Bernier, Brigitte Bourque, Zrinka Dekic, Luc Martin and Jean-Pierre Trahan are independent within the meaning of National Instrument 52-110 *Audit Committees*.

The Board of Directors considers that Sébastien Mailhot is not independent within the meaning of National Instrument 52-110 *Audit Committees* in that he is a senior officer of the Corporation.

Meetings of the Board of Directors are chaired by its Chair, an independent director. The independent members of the Board of Directors meet without the non-independent director and members of management present. The independent directors met without any member of management and the non-independent directors at least five times in the past year. Independent directors may also communicate with each other through various technological means as required, without non-independent directors and members of management participating.

In addition, the Board of Directors has developed a written description of the role of the Chair of the Board of Directors, the Chair of each Board Committee and the Chief Executive Officer.

During the period from April 1, 2021 to March 31, 2022, the Board of Directors held nine (9) meetings, the Audit Committee held four (4) meetings and the CCGC held eight (8) meetings. The following table sets out the number of meetings of the Board of Directors and Board committees attended by the directors:

Name	Number of Board of Directors Meetings Attended	Number of Audit Committee Meetings Attended	Number of CCGC Meetings Attended	Total Number of Meetings Attended
Denis Chamberland	9 / 9: 100%	4 / 4: 100%	4 / 4: 100%	17 / 17: 100%
Louis P. Bernier	9 / 9: 100%	N/A	8 / 8: 100%	17 / 17: 100%
Brigitte Bourque	9 / 9: 100%	N/A	8 / 8: 100%	17 / 17: 100%
Zrinka Dekic[(1)]	2 / 2: 100%	N/A	N/A	2 / 2: 100%
Sébastien Mailhot	9 / 9: 100%	N/A	N/A	9 / 9: 100%
Luc Martin	9 / 9: 100%	4 / 4: 100%	N/A	13 / 13: 100%
Jean-Pierre Trahan[(2)]	8 / 8: 100%	4 / 4: 100%	N/A	12 / 12: 100%
Ève Laurier[(3)]	3 / 6: 50%	N/A	3 / 4: 75%	6 / 10: 60%

(1) Zrinka Dekic was appointed as a director of the Corporation on December 20, 2021.
(2) Jean-Pierre Trahan was appointed as a director of the Corporation on April 26, 2021.
(3) Ève Laurier resigned as director of the Corporation effective December 20, 2021.

2. Directorships

The following directors are currently directors of other issuers that are reporting issuers (or the equivalent) in a jurisdiction of Canada or a foreign jurisdiction:

Name of Director	Issuer
Luc Martin	BTB Real Estate Investment Trust; Richelieu Hardware

3. Orientation and Continuing Education

Generally, the CCGC is responsible for the adoption of the policies of the Corporation relating to the orientation of new directors and the continuing education of existing directors. The Corporation encourages new directors to meet with members of management in order to learn about the Corporation's organizational culture and to familiarize themselves with the policies and practices that are in place. The Corporation intends to provide more continuing education for the directors by, among other initiatives, inviting guests to lecture them on various topics that are relevant to the directors' duties. Upon appointment of any candidate as a director, the Board of Directors will ensure that the candidate possesses the appropriate skills and knowledge to fulfill his or her obligations as a director. The Board of Directors will ensure that directors contribute to the growth of the Corporation through their positive experience as a director or senior executive with other public companies, through their expertise in the Corporation's areas of activity, through their financial and strategic development skills, or through their experience in corporate governance and regulatory compliance.

4. Ethical Business Conduct

In terms of ensuring ethical business conduct, the Board of Directors has adopted a Code of Ethics and Business Conduct (the "**Code of Ethics**") applicable to all the directors, senior officers and employees of the Corporation as part of its corporate practices. In addition, in terms of the disclosure of information, the Board of Directors has adopted a disclosure policy aimed at ensuring that any communication emanating from the Corporation is timely, accurate as regards the underlying facts and disclosed in accordance with applicable regulatory requirements. Finally, the Board of Directors has adopted a policy regarding securities transactions effected by insiders aimed at informing the Corporation's insiders of their responsibilities in this regard and to ensure compliance therewith.

The Code of Ethics is available on the Corporation's website at www.d-box.com and under the Corporation's profile on SEDAR at www.sedar.com. For any question regarding the Code of Ethics, directors and the Chief Executive Officer may contact the Chair of the Board of Directors or the Chair of the CCGC, and senior officers and employees of the Corporation may contact the Vice President, Legal Affairs.

Each employee receives a copy of the Code of Ethics on an annual basis, with proof of receipt. New directors receive a copy of the mandates and policies, and directors are encouraged to consult them as required.

Internal control procedures are reviewed annually by an independent consultant.

Lastly, the Corporation has adopted a whistleblower policy which enables directors, senior officers and employees to report any irregularity to the Chair of the CCGC.

The Code of Ethics covers the following topics: compliance with laws and regulations, conflicts of interest, full disclosure, insider trading, confidentiality, gifts and awards, corruption, good-faith incentives, fair dealing, protection of company assets, accuracy of the company's books and records, reporting violations and complaints procedure. In the event of a conflict of interest, very specific rules have been established and these are included in the Code of Ethics. The Audit Committee ensures compliance with internal control and risk management standards. The CCGC is responsible for ensuring that the Board of Directors and management act in accordance with those practices and processes best able to ensure compliance with applicable laws and appropriate ethical standards; these include the adoption of company policies and procedures, and the adoption of a written Code of Ethics which sets out effective standards for deterring wrongdoing and is applicable to the Corporation's directors, senior officers and employees. These missions are explicitly included in the mandates of these two committees.

5. Nomination of Directors

The CCGC is responsible for recommending potential new directors and assessing the performance and contribution of directors. Louis P. Bernier, Brigitte Bourque and Zrinka Dekic, the three members of the CCGC, are all independent directors within the meaning of National Instrument 52-110 *Audit Committees*.

At all times, the Corporation seeks to maintain a Board of Directors comprised of talented and dedicated directors with a diverse mix of experience, skills and backgrounds collectively reflecting the strategic needs of the business and the nature of the environment in which the Corporation operates. The Corporation benefits from the directors' contributions in various fields such as sales, marketing, corporate governance, human resources, finance, strategic development and regulatory compliance.

When assessing the Board of Directors composition or identifying suitable candidates for appointment or re-election to the Board of Directors, the Corporation will consider candidates using objective criteria having due regard to the benefits of diversity and the needs of the Board of Directors. For purposes of this policy, diversity includes business experience, geography, age, gender, sexual orientation and other personal characteristics such as being a member of visible minorities, Aboriginal peoples and persons with disabilities.

The Board of Directors is required to report annually to shareholders on the diversity of its directors, including the number and percentage of women directors and the number and percentage of directors who are members of each of the "**Designated Groups**" as defined in the Employment Equity Act (in general terms, women, visible minorities, Aboriginal peoples and persons with disabilities).

Director Term Limits and Other Mechanisms of Board Renewal

The Corporation has not adopted term limits for its directors or other mechanisms of Board of Directors renewal. The Corporation is aware of the positive impact of bringing new perspectives to the Board of Directors, and therefore does from time-to-time add new members; however, it also values continuity on the Board of Directors and the in-depth knowledge of the Corporation held by those members who have a long-standing relationship with the Corporation.

Policies Regarding the Representation of Women and Members of the Designated Groups on the Board of Directors

The Corporation has adopted a diversity policy because it recognizes the value of diversity, including gender diversity, which offers a depth of perspectives and enhances the Corporation's operations.

Diversity includes, but is not limited to, business experience, age, gender, disabilities, members of visible minorities, indigenous people and sexual orientation.

When assessing the composition of the Board of Directors, the principal focus is on ensuring that the Board has the diverse experiences, skills and backgrounds needed to oversee collectively the business of the Corporation. The Corporation also takes a balanced approach when considering the extent to which personal characteristics are taken into account. The Board seeks to maintain diversity in the membership of its committees and in Board of Directors leadership roles, and will consider diversity when assigning chair roles for the Board of Directors and its committees.

Consideration of the Representation of Women and Members of the Designated Groups in the Director Identification and Selection Process

When the CCGC recommends candidates for the Board of Directors, it considers not only the qualifications, personal qualities, business background and experience of the candidates, it also considers the composition of the group of nominees, to best bring together a selection of candidates allowing the Board of Directors to perform efficiently and act in the best interest of the Corporation and its shareholders. The Corporation is aware of the benefits of diversity both on the Board of Directors and at the executive level, and therefore representation by women and members of the Designated Groups is one factor taken into consideration during the search process to fill such roles within the Corporation.

Consideration Given to the Representation of Women and Members of the Designated Groups in Executive Officer Appointments

When the Board of Directors selects candidates for executive officer positions, it considers not only the qualifications, personal qualities, business background and experience of the candidates, it also considers the composition of the group of nominees, to best bring together a selection of candidates allowing the Corporation's management to perform efficiently and act in the best interest of the Corporation and its shareholders. The Corporation considers the presence of women and members of the Designated Groups on its executive team as an added value.

Targets Regarding the Representation of Women and Members of the Designated Groups on the Board and in Executive Officer Positions

The Board of Directors will actively search for diverse board members who will bring skill sets to augment and add to the existing Board of Directors. Specifically, the Corporation is committed to maintaining a 30% representation of women among independent directors on the Board (or a minimum of two women if the Board is composed of seven members). The Board will seek to maintain diversity in the membership of its committees and in Board of Directors leadership roles, and will consider diversity when assigning chair roles for the Board of Directors and its committees, but it has not set a specific target number or percentage regarding other members of the Designated Groups because the Corporation considers candidates based on their qualifications, personal qualities, business background and experience, and does not feel that targets necessarily result in the identification or selection of the best candidates.

As for executive officer positions, the Corporation has not adopted a target number or percentage regarding women or members of the Designated Groups but it will greatly welcome diversity in the selection process. As previously stated, the Corporation considers candidates based on their qualifications, personal qualities, business background and experience, and does not feel that targets necessarily result in the identification or selection of the best candidates.

Number of Women and Members of the Designated Groups on the Board and in Executive Officer Positions

At present, there are two (2) women on the Board of Directors of the Corporation, representing 29 % of the members of the Board of Directors, and one woman of Asian descent is a senior officer of the Corporation. For further details on the diversity policy of the Corporation, reference is made to the section entitled "Diversity" on page 42 of the Circular**.**

6. Compensation

The process by which the Corporation currently determines the compensation of the executive officers of the Corporation is described in the section entitled "Compensation of Executive Officers and Directors – Compensation Discussion & Analysis" above.

7. Other Board Committees

The only standing committees constituted by the Board of Directors are the Audit Committee and the CCGC.

The CCGC is responsible for corporate and governance matters which include the following responsibilities:

(a) Oversee key principles and guidelines relating to corporate governance that are relevant to the Corporation, as regards: (i) the size and membership of the Board, (ii) orientation of new directors; (iii) continuous education of directors; (iv) compensation and the term of directors' mandates; (v) evaluation from time to time of the performance of the Board of Directors, its committees and individual directors, and (vi) description of the role of each director, as well as the qualifications and skills that each director should bring to the Board of Directors;

(b) Oversee that the Board of Directors and management respect practices and procedures that are designed to ensure compliance with all applicable laws and ethical standards;

(c) Oversee, adopt and review periodically the Corporation's policies with regards to disclosure, governance, privacy, trading of securities, ethical, environmental and health and safety matters and taking steps to resolve issues of compliance with respect to the members of the Board of Directors and the executive officers;

(d) Oversee, adopt, review, monitor, report, and where appropriate, provide recommendations to the Board of Directors on environmental, social and governance ("**ESG**") policies and practices;

(e) Recommend candidates for election or appointment to the Board of Directors;

(f) To the extent possible, satisfy itself as to the integrity of the senior management of the Corporation such that the senior officers create a culture of integrity throughout the Corporation.

8. Assessments

The CCGC will ensure regular assessment of the effectiveness and contribution of the Board of Directors, the Board of Directors' committees and the individual directors. The recommendations resulting from this evaluation process are submitted to the Chair of the Board of Directors in order to allow him or her to take measures that are necessary or advisable in this regard.

9. Environmental, Social, and Governance (ESG) Criteria

The Corporation is committed to conducting its business in an ethical, legal and socially responsible manner, with an ever more responsible approach by promoting, accelerating, and facilitating the integration of sustainable development principles into its business model.

ESG matters are interwoven with each other and must be addressed by all responsible corporate citizens. The Corporation recognizes that ESG has gained a greater importance among investors, policymakers, and other key stakeholders because it is seen as a way to safeguard businesses from future risks. The three pillars of ESG for the Corporation are as follows:

'E' or Environmental pertains to the Corporation's energy use, waste, pollution, and natural resource conservation;

'S' or Social looks at how the Corporation interacts with communities where it operates, and the Corporation's internal policies related to labour, diversity and inclusion policies, among others;

'G' or Governance relates to internal practices and policies that lead to effective decision making and legal compliance. ESG facilitates the Corporation's top-line growth in the long run, attracts talent, reduces costs, and forge a sense of trust amongst consumers.

The Corporation has taken a proactive approach by adopting policies and behaviours pertaining to environment and sustainability, wellbeing, diversity and ethics.

Environment and Sustainability

The Corporation created a committee on sustainability in April 2021, and the members of such committee meet on a regular basis to identify appropriate levers and actions that will contribute towards achieving the ultimate goal of becoming a socially responsible corporate citizen.

In May 2021, the Corporation hired consulting firm COESIO to (i) analyze the Corporation's global sustainability performance, (ii) prioritize actions and levers to put in place through a strategic plan, (iii) assist the Corporation in the implementation of those actions and levers, and (iv) communicate the Corporation's progress to all stakeholders, including without limitation the Corporation's shareholders, employees, customers, suppliers, creditors, communities, and governments.

With the assistance of COESIO, the Corporation has adopted *Guidelines for the Implementation of Principles for Management of Enterprises and Other Organizations*, also known as the BNQ 21000 standard.

The Corporation has adopted an ambitious strategy to:

- Promote the preservation of resources by reflecting on product eco-design and circular economy opportunities;
- Become eco-efficient and reduce the environmental impact of day-to-day operations;
- Address climate change through a reduction of greenhouse gas emissions.

The Corporation already takes steps to recycle cardboard, paper and plastic, to reduce the use of paper in general, to impose certain restrictions on the use of hazardous substances in its operations, and to adopt a hybrid work model for employees. It is in the process of implementing additional measures to reduce waste, to favour eco-friendly logistics throughout the supply chain, and to analyze and optimize the life expectancy of the products.

Wellbeing

The Corporation strongly believes in the importance of providing a workplace that addresses the health and wellbeing of its employees.

The Corporation recognizes that addressing health and wellbeing can lead to healthier and happier employees, and that safeguarding employee health and wellbeing is an important part of the Corporation's organizational culture and identity.

The goals that the Corporation strives to achieve are as follows:

- Improve morale and job satisfaction;
- Engage a workforce that is committed to their organization;
- Reduce absenteeism and increase productivity;
- Reduce injury and accelerate return to work; and
- Enhance recruitment and retention of employees.

The most effective health and wellbeing initiatives share common characteristics: active engagement of management and employees, commitment to tailored, equitable and appropriately resourced actions, and a long-term focus on achieving employee health and wellbeing.

The following initiatives have been established to contribute to the health and wellbeing of the Corporation's employees:

- Encourage employees to participate in regular physical activity and reduce sedentary practices through promotion, education and access to physical activity and movement opportunities;
- Support a work-life balance by providing advantageous leave time opportunities (including sufficient vacation days that must be used during the year, sick and personal days, maternity and paternity leave, and family care), and by providing flexible work conditions (hybrid office / home work model, online platforms that favour collaborative work and meetings, focus on work objectives instead of work schedules);
- Encourage employee camaraderie by organizing various social events through a social committee that meets regularly to identify new ways to create a social, collaborative and engaged workplace;
- Offer a virtual healthcare platform where employees can consult a health professional from the comfort of their home or office;
- Improve the quality of the office environment by having plants in common areas, providing ergonomic workstations and height-adjustable desks, and offering open areas that are designed for people to gather informally or even professionally;
- Identify safety and health risks, prevent workplace accidents, review accident reports, and generally find ways to improve the health of employees through the health and safety committee;
- Encourage professional development by, among other things, subsidizing professional training courses and reimbursing membership dues for professional associations and organizations.

Diversity

While the Corporation seeks to recruit or appoint those individuals who are most qualified for the particular position, regardless of personal characteristics, the Corporation recognizes the value of diversity, including gender diversity, which offers a depth of perspectives and enhances the Corporation's operations. Management provides the leadership framework and direction, and it is the responsibility of everyone within the Corporation to sustain a culture that promotes and supports principles of diversity and inclusivity.

The Corporation is an equal opportunity employer. All decisions regarding recruitment, hiring, promotion, compensation, retention, employee development decisions such as training, and all other terms and conditions of employment, will be made without regard to race, national or ethnic origin, colour, religion, age, sex, sexual orientation, matrimonial status, civil status, or physical or mental handicap.

Diversity includes, but is not limited to, business experience, age, gender, disabilities, members of visible minorities, indigenous people and sexual orientation.

When assessing the composition of the Board of Directors of the Corporation, the principal focus is on ensuring that the Board of Directors of the Corporation has the diverse experiences, skills and backgrounds needed to oversee collectively the business of the Corporation. The Corporation also takes a balanced approach when considering the extent to which personal characteristics are taken into account. The Board of Directors of the Corporation seeks to maintain diversity in the membership of its committees and in Board of Directors leadership roles, and will consider diversity when assigning chair roles for the Board of Directors and its committees.

The Board of Directors of the Corporation will actively search for diverse board members who will bring skill sets to augment and add to the existing Board. Specifically, the Corporation is committed to maintaining a 30% representation of women among independent directors on the Board of Directors of the Corporation (or a minimum of two women if the Board of Directors of the Corporation is composed of seven members).

Ethics

The Corporation believes that everyone plays a crucial role and has responsibilities, from the employees to the suppliers. Honesty, integrity and professionalism should be at the forefront of all of the business decisions and operations.

The Corporation has adopted a code of conduct that is guided by the following 10 principles:

(a) Put the general interest of all the Corporation's key stakeholders first;

(b) Comply with applicable laws;

(c) Respect the Corporation's clients and the end-users of the Corporation's products;

(d) Act fairly towards the Corporation's competitors;

(e) Refuse to tolerate conflicts of interest;

(f) Refuse to tolerate any form of discrimination or harassment, and promote diversity;

(g) Ensure the quality of working conditions;

(h) Foster employees' personal and career development;

(i) Protect the environment and employees' health and safety;

(j) Avoid any insider trading.

The Corporation has also adopted ethical guidelines specifically for suppliers that pertain to, without limitation, fair trade practices, business integrity, bribery, corruption, insider trading, forced and child labour, discrimination, health and safety, privacy, and intellectual property.

ADDITIONAL INFORMATION

Financial information about the Corporation is contained in its comparative consolidated financial statements and Management's Discussion and Analysis for the fiscal year ended March 31, 2022, and additional information about the Corporation is available on SEDAR at www.sedar.com.

If you would like to obtain, at no cost to you, a copy of any of the following documents:

(a) the comparative consolidated financial statements of the Corporation for the fiscal year ended March 31, 2022 together with the accompanying report of the auditors thereon and any interim financial statements of the Corporation for periods subsequent to March 31, 2022 and Management's Discussion and Analysis with respect thereto; and

(b) this Circular,

please send your request to:

D-BOX Technologies Inc.
Attention : Daniel Le Blanc
Vice President, Legal Affairs and Corporate Secretary
2172 de la Province Street
Longueuil, Québec J4G 1R7

Telephone: 450-999-4074
Telecopier: 450-442-3230
E-mail: dleblanc@d-box.com

It is also possible to obtain information concerning the Corporation by visiting its web site at www.d-box.com.

OTHER MATTERS

Management of the Corporation knows of no other matter to come before the Meeting other than those referred to in the Notice of Meeting. However, if any other matters which are not known to the management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

AUTHORIZATION

DATED at Longueuil, Québec
August 4, 2022

The contents and the mailing of this Circular have been approved by the Board of Directors of the Corporation.

(signed) Denis Chamberland

Denis Chamberland
Chair of the Board of Directors

SCHEDULE A

SHAREHOLDERS' RESOLUTION

Ratification and Approval of Amended and Restated Shareholder Rights Plan

BE AND IT IS HEREBY RESOLVED:

THAT the Third Amended and Restated Shareholder Rights Plan of the Corporation, as approved by the Board of Directors on July 26, 2022 and as described in the management proxy circular of the Corporation dated August 4, 2022, is hereby ratified, approved and confirmed, with all such modifications, additions or deletions thereto which the President and Chief Executive Officer of the Corporation, in his sole discretion, may deem appropriate or necessary; and

THAT any director or officer of the Corporation be and is hereby authorized to execute and deliver such documents and instruments and to take such other actions as such director or officer may deem necessary or advisable to give effect to this resolution in his entire discretion, his determination being conclusively evidenced by the execution and delivery of such documents or instruments and the taking of such actions.