ICPEI Holdings Inc.

Management's Discussion and Analysis

For the nine months ended September 30, 2022

ICPEI

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the nine months ended September 30, 2022

References to “Company” in this Management’s discussion and analysis refer to ICPEI Holdings Inc., both now and in its predecessor forms.

IMPORTANT NOTE

The unaudited condensed consolidated interim financial statements for the quarters ended September 30, 2022, and 2021 have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of interim financial statements, including IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (”IASB”). The policies applied in the unaudited condensed consolidated interim financial statements are based on IFRS and have been consistent with those of the previous financial year.

The following discussion should be read in conjunction with ICPEI Holdings Inc.’s unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2022 and 2021, with the notes to the unaudited condensed consolidated interim financial statements, and with management’s discussion and analysis (“MD&A”) and audited annual consolidated financial statements and accompanying notes for 2021. The financial data in this discussion has been prepared in accordance with IFRS and has been derived from the unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2022 and 2021.The following commentary is current as of November 16, 2022. Additional information relating to ICPEI Holdings Inc. is available on SEDAR at www.sedar.com. Certain totals, subtotals and percentages may not reconcile due to rounding.

ICPEI Holdings Inc. uses both IFRS and certain non-IFRS measures to assess performance. Securities regulators require that companies caution readers about non-IFRS measures that do not have a standardized meaning under IFRS and are unlikely to be comparable to similar measures used by other companies. The Company analyzes performance based on underwriting income and underwriting ratios such as combined, expense and loss ratios, which are non-IFRS measures. Underwriting income is defined as net earned premiums less net claims incurred, net acquisition costs, operating expenses, and excludes any impact of change in discount rate on claims and corporate expenses. Loss ratio is net claims incurred divided by net earned premiums. Expense ratio is net acquisition costs plus operating expenses divided by net earned premiums. Combined ratio is the sum of loss ratio and expense ratio. Return on Equity (“ROE”) is based on trailing twelve months net income attributable to shareholders on continued operations divided by average shareholder’s equity. Book value per share (“BVPS”) is calculated by dividing shareholder’s equity by the number of common shares outstanding.

The following discussion contains forward-looking information that involves risk and uncertainties based on current expectations. This information includes, but is not limited to, statements about the operations, business, financial condition, priorities, targets, ongoing objectives, strategies and outlook of the Company. These statements, which appear in this MD&A (including the documents incorporated by reference herein), generally can be identified by the use of forward-looking words such as “may”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “plan”, “would”, “should”, “could”, “trend”, “predict”, “likely”, “potential” or “continue” or the negative thereof and similar variations.

This information is based upon certain material factors or assumptions that were applied in drawing a conclusion or making a projection as reflected in the forward-looking information. By its nature, this information is subject to inherent risks and uncertainties that may be general or specific. A variety of material factors, many of which are beyond ICPEI Holdings Inc.’s control, affect the operations, performance and results of ICPEI Holdings Inc. and its business, and could cause actual results to differ materially from the expectations expressed in any of this forward-looking information.

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COMPANY OVERVIEW

ICPEI Holdings Inc. operates in the Canadian property and casualty ("P&C") insurance industry through its wholly owned subsidiary, The Insurance Company of Prince Edward Island ("ICPEI"), a provincially regulated P&C insurance company. Based in Charlottetown, the Insurance Company of Prince Edward Island (ICPEI) offers home, auto and commercial insurance solutions sold exclusively through a network of brokers and managing general agent. Since 1987, ICPEI has established a longstanding record of underwriting profitability, rooted in its disciplined approach to risk selection. Today, ICPEI has grown into the largest auto and home insurer headquartered in the Maritimes, and continues to take pride in designing affordable insurance solutions for people in new markets.

On April 1, 2021, the Company acquired the remaining 25% ownership of ICPEI that it did not already own. After receiving approval from its shareholders on July 15, 2021, shareholders of the Company changed its name to ICPEI Holdings Inc. from EFH Holdings Inc. Earlier, the Company's name was changed from Echelon Financial Holdings Inc. to EFH Holdings Inc. after receiving approval from shareholders on December 11, 2020.

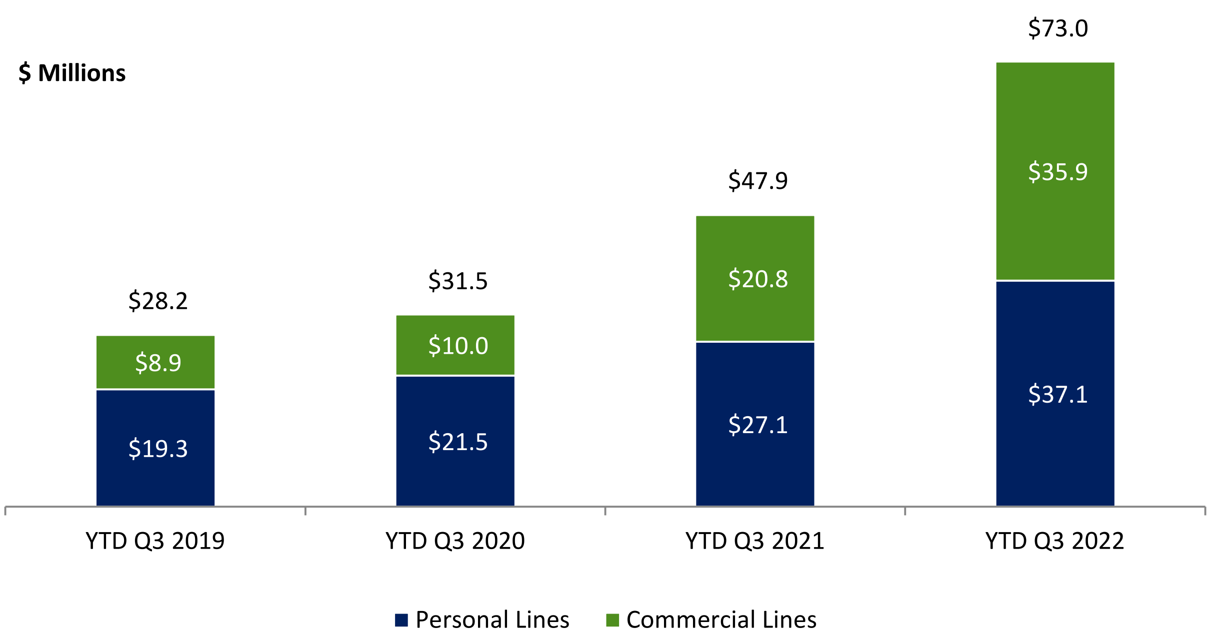
The Company's stock was delisted on the Toronto Stock Exchange and listed on the TSX Venture Exchange on December 23, 2020. The stock symbol has been changed from EFH to ICPH as a result of the name change.

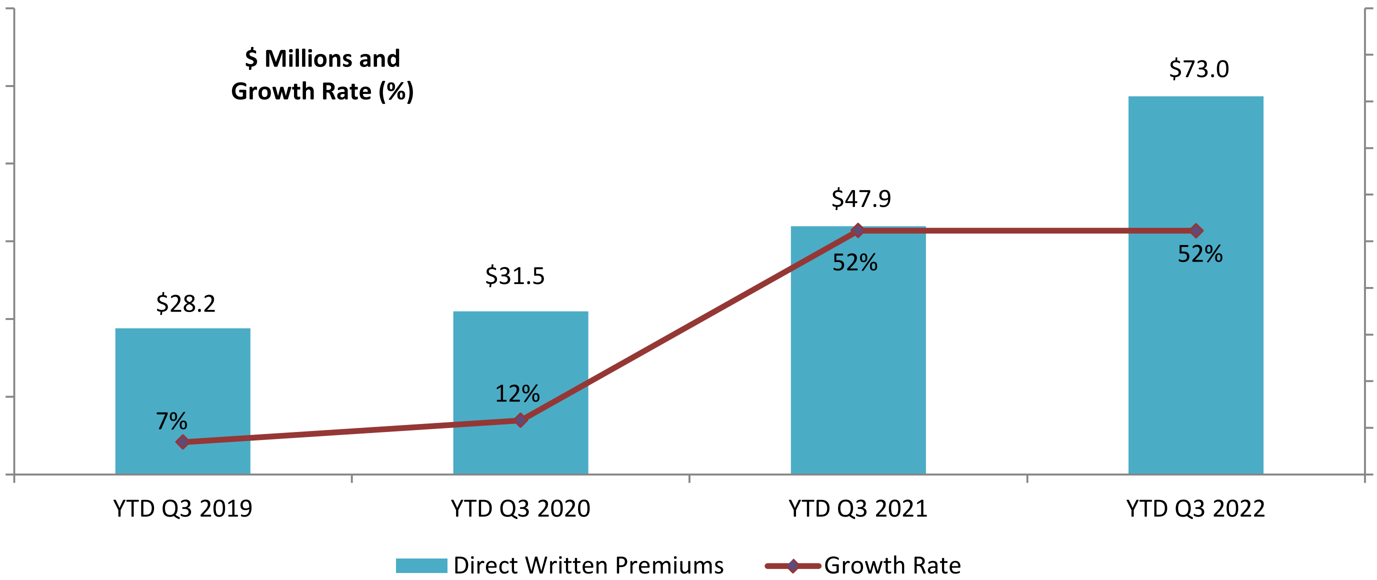
ICPEI writes business in the Maritimes provinces and in Q4 2020 began to write business in Quebec. In May 2021, ICPEI was granted a license to write commercial business in Ontario. In January 2022, ICPEI was granted a license to write commercial business in Newfoundland and Labrador and in April 2022 was granted a license to write commercial business in Alberta.

The Company and its wholly owned subsidiary benefit from an experienced management team, a strong network of brokers and partners, and a devoted and loyal team of employees.

We plan to continue growing our business in the rest of Canada organically and through strategic partnerships. Our strategy is to focus more on the growth of the less regulated commercial business.

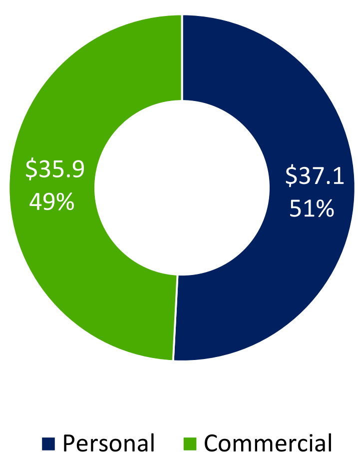
Direct Written Premiums



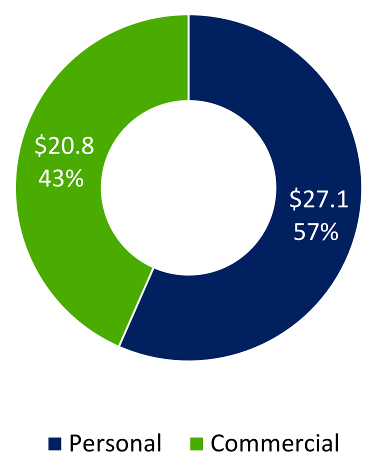


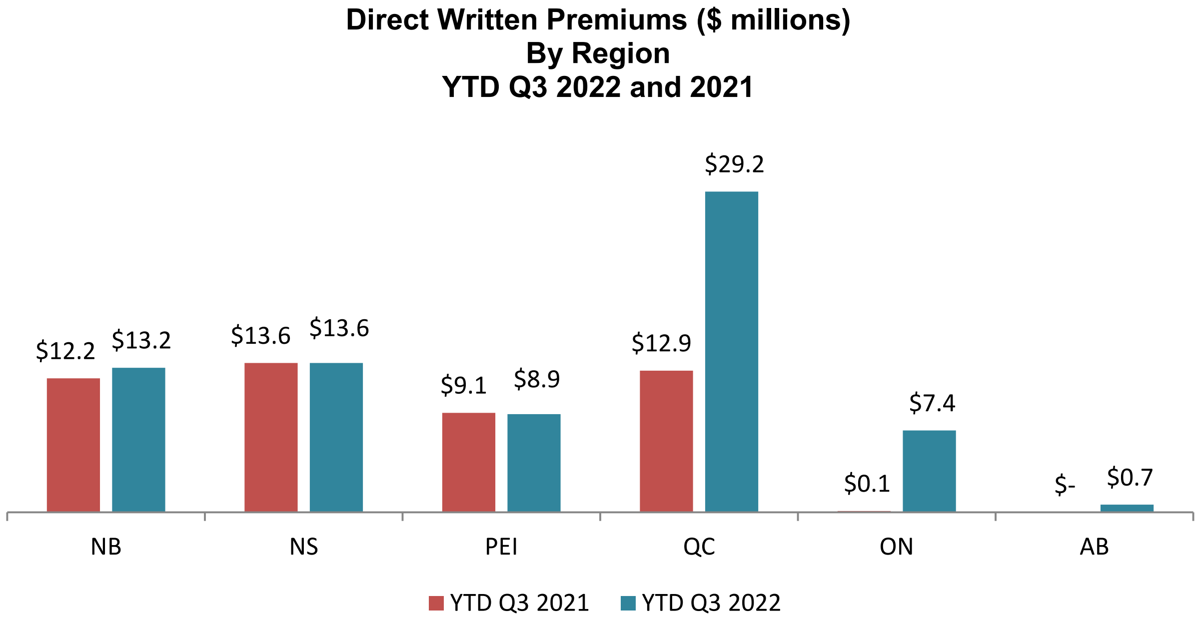
The following charts provide segmentation of the Company's business with respect to Personal and Commercial Lines as well as within provinces in the nine months ended September 30, 2022 compared to the corresponding period in 2021. 49% of the Company's total written premium during the nine months ended September 30, 2022 was from the Commercial Lines as it continues its growth plan to emphasize on commercial business.

Direct Written Premiums ($ millions)
By Line of Business
YTD Q3 2022



Direct Written Premiums ($ millions)
By Line of Business
YTD Q3 2021





CONSOLIDATED PERFORMANCE

This MD&A is based on information in the audited consolidated financial statements and accompanying notes thereto for the year ended December 31, 2021 and the unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2022.

THIRD QUARTER HIGHLIGHTS

- Premiums written of $24.3 million in this quarter represent a 32% growth over the same period in 2021. Personal Lines increased by 25% and Commercial Lines increased by 43% in this period when compared to the same period last year.

- The business mix at the end of the third quarter of 2022 is Commercial Lines of 49% and Personal Lines 51% compared to Commercial Lines of 43% and Personal Lines 57% in the same period last year. The growth is in line with our strategy to expand our business in commercial line.

- A Combined ratio of 95.2% resulting in an underwriting income of $1.0 million. Hurricane Fiona had a significant impact on the results in the quarter. Loss before reinsurance was estimated at $6.4 million and $1.2 million after recovery from reinsurance. Without Fiona, combined ratio would be 89.5% compared to 89.7% in the same period last year.

- Investment income of $0.3 million in the quarter compared $0.5 million in the same period last year. The higher interest environment increased our interest income in this quarter compared to the same period last year but also caused losses in our fixed income investments and preferred shares. Changes in preferred share fair value are charged to income. On the positive side, the expected yield in our investment portfolio has increased from 4.04% at the end of the last quarter to 4.62% in the quarter.

- The book value per share was increased by $0.05 to $1.92 from EPS in the quarter. Due to rapidly increasing interest rate environment, market value of our fixed income investment decreased and we recorded unrealized losses in Other Comprehensive Income that decreased the book value per share by $0.01. As a result, closing book value per share increased by $0.04 from end of last quarter.

(in thousands of Canadian dollars, except per share amounts and as otherwise noted)

QUARTER ENDED SEPTEMBER 30, 2022 COMPARED TO QUARTER ENDED SEPTEMBER 30, 2021

The financial information below compares three months and nine months ended September 30, 2022 results with the same period in 2021.

	3 months ended September 30		9 months ended September 30	
	2022	**2021**	**2022**	**2021**
Direct written and assumed premiums	24,283	18,422	72,972	47,923
Net earned premiums	20,468	13,962	55,452	37,557
Net claims incurred	11,193	6,594	28,833	17,455
Net acquisition costs	5,670	3,925	15,425	9,676
Operating expenses(1)	2,623	2,004	7,175	5,533
Corporate expense(1)	541	439	1,176	833
Underwriting income (2)	982	1,439	4,019	4,893
Investment income	257	533	292	1,763
Impact of change in discount rate on claims	431	75	1,533	65
Net income before income taxes	1,129	1,608	4,668	5,888
Income tax expense	330	475	1,309	1,630
Net income	799	1,133	3,359	4,258
Net income attributed to:				
Shareholders of the Company	799	1,133	3,359	3,942
Non-controlling interest	-	-	-	316
Earnings per share (EPS) - Basic and diluted	$0.05	$0.08	$0.22	$0.28
Book value per share (BVPS)(3)			$1.92	$1.71
Return on Equity (ROE)(4)			21.3%	19.2%

(1) Sum of Operating expenses and Corporate expense equal Operating Costs on Consolidated Statements of Income and Comprehensive Income.

(2) Underwriting income is defined as net earned premiums less net claims incurred, net acquisition costs, operating expenses, and excludes any impact of change in discount rate on claims and corporate expenses.

(3) Book value per share is calculated by dividing shareholder's equity by the number of common shares outstanding.

(4) Return on Equity is twelve months rolling net income attributable to shareholders on continued operations divided by average shareholder's equity.

Direct Written and Net Earned Premiums

In the third quarter of 2022, direct written premiums increased by $5.9 million or 32% compared to the same period in prior year. The increase was largely due to the significant business written in Commercial and Personal Lines in Quebec and also in the Commercial Lines in Ontario over prior year. Net earned premiums increased by $6.5 million in the third quarter of 2022 compared to the same period last year. For the nine months ended September 30, 2022, direct written premiums increased by $25.0 million or 52% compared to the same period last year while net earned premiums increased by $17.9 million.

Claims Incurred

For the quarter ended September 30, 2022, net claims expense was $4.6 million higher than same period in the prior year and for the nine months ended September 30, 2022 net claims expense increased by $11.4 million over the same period last year. The increase has been largely due to significant premium growth over last year and the impact of Hurricane Fiona in the Maritime provinces. Fiona increased net claims cost by $1.2 million in this quarter.

Acquisition Costs

Acquisition costs, which consist mainly of commissions, premium taxes and general expenses related to policy acquisitions, increased by $1.7 million in the quarter ended September 30, 2022 compared to same period last year. For the nine months ended September 30, 2022, acquisition costs increased by $5.7 million compared to last year. This increase was a result of higher premium volume for the Company and higher commission rates for commercial lines.

Operating Expenses

Operating expenses were $0.6 million higher in the third quarter ended September 30, 2022 and $1.6 million higher for the nine months ended September 30, 2022 compared to the same period last year largely due to increased costs related to salaries, depreciation and IT expenses.

Underwriting Income

Underwriting Income of $1.0 million was recorded in the third quarter of 2022 compared to an underwriting income of $1.4 million in the same period in 2021. For the nine months ended September 30, 2022 underwriting income was $4.0 million compared to $4.9 million in the same period last year. The decline in underwriting income in the three months and nine months ended September 30, 2022 from the same periods last year was because of Hurricane Fiona which reduced underwriting income by $1.2 million.

Impact of Change in Discount Rate on Claims

The discount rate used to discount future claims payment is based on the expected yield on investments. The discount rate used for the nine months ended September 30, 2022 was 4.62%, which is higher than the 2.09% used for the year ended December 31, 2021 as yield on investments increased during the year in an increasing interest rate environment.

Investment Income

Investment income was $0.3 million lower in the third quarter of 2022 compared to the same period last year and $1.5 million lower for the nine months ended September 30, 2022 compared to the same period last year. While the rising interest rate environment increased our interest income it reduced the market value of our investments and created losses in preferred shares and in the sale of our fixed income investments..

Net Income before Income Taxes

Net income before income taxes was $1.1 million in the third quarter of 2022 as compared to $1.6 million in the third quarter of 2021. For the nine months ended, net income before income taxes was $1.2 million lower compared to last year. The decrease is largely due to Hurricane Fiona, higher operating expense, and lower investment income over same period last year.

Income Taxes

For the quarter ended September 30, 2022, the total Income tax expense was $0.3 million compared to a tax expense of $0.5 million for the same period last year. For the nine months ended September 30, 2022, the total income tax expense was $1.3 million compared to $1.6 million in the same period last year. The decrease is mostly because of lower income during the year.

(in thousands of Canadian dollars, except per share amounts and as otherwise noted)

SEGMENT PERFORMANCE

The segmented results below exclude corporate expenses and the impact of change in discount rate on claims.

Personal Lines	**3 months ended September 30**				**9 months ended September 30**			
	2022	***2021***	***$ Variance***	***% Variance***	***2022***	***2021***	***$ Variance***	***% Variance***
Direct written premiums	14,053	11,280	2,773	25%	37,135	27,118	10,017	37%
Net earned premiums	10,965	7,964	3,001	38%	29,131	21,955	7,176	33%
Total net claims	7,278	4,449	(2,831)	(64)%	18,121	11,395	(6,726)	(59)%
Loss ratio	66.4%	55.9%			62.2%	51.9%		
Expense ratio	35.9%	44.2%			36.9%	43.0%		
Combined ratio	102.3%	100.1%			99.1%	94.9%		
Underwriting income	(254)	(6)	(248)	(4,133)%	268	1,113	(845)	(76)%

For the three and nine months ended September 30, 2022, underwriting income in Personal Lines declined by $0.3 million and $0.8 million respectively over the same period in 2021. Hurricane Fiona impacting the Maritime provinces contributed to the decrease in underwriting income seen over last year. Without the impact of Hurricane Fiona, underwriting income was $0.8 million for this quarter and $1.3 million for the 9 months ended September 30, 2022; loss ratio and combined ratio were 57.2% and 93.1% for this quarter and 58.8% and 95.6% for the nine months ended September 30, 2022. Direct written premiums increased by 25% in the three months ended September 30, 2022 and 37% in the nine months ended September 30, 2022 compared to same period in prior year. This increase is largely attributable to increased business growth in Quebec.

Commercial Lines	**3 months ended September 30**				**9 months ended September 30**			
	2022	***2021***	***$ Variance***	***% Variance***	***2022***	***2021***	***$ Variance***	***% Variance***
Direct written premiums	10,230	7,142	3,088	43%	35,837	20,805	15,032	72%
Net earned premiums	9,503	5,998	3,505	58%	26,321	15,602	10,719	69%
Total net claims	3,915	2,145	(1,770)	(83)%	10,712	6,060	(4,652)	(77)%
Loss ratio	41.2%	35.8%			40.7%	38.8%		
Expense ratio	45.8%	40.1%			45.1%	36.9%		
Combined ratio	87.0%	75.9%			85.8%	75.7%		
Underwriting income	1,236	1,445	(209)	(14)%	3,751	3,780	(30)	1%

Direct written premiums increased by 43% for the three months ended September 30, 2022 and 72% for the nine months ended September 30, 2022 compared to the same period last year as commercial business in both Quebec and Ontario significantly grew. Also additional premium of $0.3 million was written in Alberta in the third quarter of 2022. Commercial Lines recorded a decrease in underwriting income of $0.2 million for the three months ended September 30, 2022 over the same period last year due to increase in salaries and benefits as more resources are required as we grow . For the nine months ended September 30, 2022, underwriting income remained almost the same as compared to the same period last year.

(in thousands of Canadian dollars, except per share amounts and as otherwise noted)

SUMMARY OF QUARTERLY RESULTS

A summary of the Company's last eight quarters is as follows:

	2022			2021				2020
	Q3	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**
Direct written and assumed premiums	24,283	31,222	17,467	18,753	18,422	18,127	11,374	11,619
Net earned premiums	20,468	18,955	16,029	15,891	13,962	12,892	10,703	10,141
Underwriting income	982	1,174	1,863	2,742	1,439	2,421	1,033	518
Impact of change in net claims discount rate	431	520	582	121	75	(5)	(5)	(241)
Investment Income (loss)	257	(188)	223	798	533	556	674	783
Net Income	799	910	1,650	2,417	1,133	2,036	1,089	469
Earnings per share								
Basic and diluted	$0.05	$0.06	$0.11	$0.16	$0.08	$0.14	$0.06	$0.02
Book value per share	$1.92	$1.88	$1.88	$1.84	$1.71	$1.63	$1.65	$1.59

The quarterly results reflect the seasonality of the Company's business. Typically, quarter one and quarter four premium written is lower than quarter two and quarter three. However, underwriting results may vary significantly from quarter to quarter.

BALANCE SHEET ANALYSIS

The Balance Sheet analysis that follows should be read in conjunction with the unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2022, and notes therein.

Balance Sheet Highlights

Selected balance sheet highlights and book value per share details are as follows:

	As at September 30, 2022	As at December 31, 2021
Cash and cash equivalents	28,563	16,485
Investments	50,621	54,518
Total assets	133,316	107,463
Provision for unpaid claims	46,155	34,430
Unearned premiums	47,021	33,339
Shareholder's equity	29,211	27,152
Book value per share (1)	$1.92	$1.84

(1) Shareholders' equity divided by the number of shares issued and outstanding

Investments

ICPEI Holdings Inc. has an investment policy that seeks to provide a stable income base to support ICPEI Holdings Inc.'s liabilities in line with its risk appetite and tolerance. In addition to this risk-return analysis, the chosen asset mix also considers the amount of regulatory capital that is required.

ICPEI Holdings Inc.'s investment portfolio is invested in accordance with its investment policy. Fair values for most investments are determined by reference to observable market data.

(in thousands of Canadian dollars, except per share amounts and as otherwise noted)

Fair Value of Investments notes

The following table sets forth ICPEI Holdings Inc.'s invested assets as at September 30, 2022 and December 31, 2021.

	Fair values			
Available for sale	**As at September 30, 2022**	**% of Total**	**As at December 31, 2021**	**% of Total**
Fixed income				
Canadian				
Federal	7,351		6,256	
Provincial	4,713		5,543	
Municipal	87		102	
Corporate	10,606		12,364	
Foreign				
Government	231		-	
Corporate	571		626	
Total fixed income	23,559	29.7%	24,891	35.0%
Corporate value pooled fund	6,811		7,383	
Money market pooled funds	625		326	
Short-term fixed income and mortgage pooled funds	13,755		14,350	
Short-term and floating rate pooled fund	1,449		2,000	
Total pooled funds	22,640	28.6%	24,059	33.9%
Common shares				
Canadian	403		452	
Canadian - ETF	721		812	
Total common shares	1,124	1.4%	1,264	1.8%
Total available for sale	47,323		50,214	
Fair value through profit or loss				
Preferred shares	2.656		3,527	
Preferred shares - ETF	642		777	
Total preferred shares	3,298	4.2%	4,304	6.1%
Total investments	50,621	63.9%	54,518	76.8%
Cash and cash equivalents	28,563	36.1%	16,485	23.2%
Total investments including cash and cash equivalents	79,184	100.0%	71,003	100.0%

Impairment Assets and Provisions for Losses

ICPEI Holdings Inc. has an established policy to write down or make a provision for any investment with objective evidence that the value of the investment is impaired.

A gross unrealized loss of $2.5 million on Available for Sale (AFS) investments at September 30, 2022 (December 31, 2021 – $0.2 million) is recorded, net of tax, in the amount of $1.8 million (December 31, 2021 – $0.1 million) in Accumulated Other Comprehensive Income, primarily due to the impact of higher bond yields on the Company's fixed income portfolio.

Management has reviewed currently available information regarding those financial assets where estimated fair values are less than amortized cost. For those investments that are considered impaired, the Company records the difference between the amortized cost of the financial assets and its fair value as an impairment which reduces investment income recorded in the year.

(in thousands of Canadian dollars, except per share amounts and as otherwise noted)

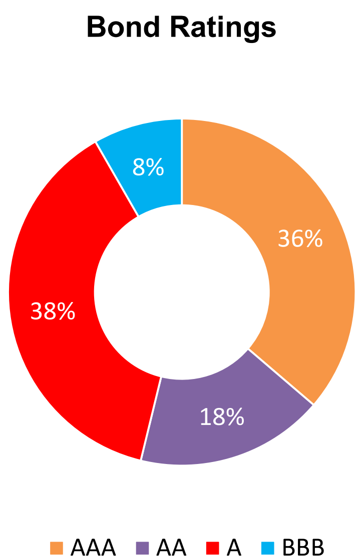
No impairments on AFS investments were recognized for the period ended September 30, 2022 and 2021.

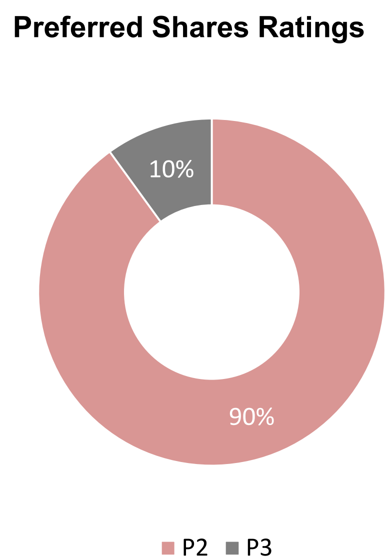
Fixed Income Securities

ICPEI Holdings Inc. holds fixed income securities to provide a steady, predictable level of income with reasonable liquidity and minimal risk of loss and a fixed sum at maturity. ICPEI Holdings Inc. portfolio is diversified by selecting various types of government and corporate bonds. Constraints on types of issuers take liquidity, diversification and risk into account by limiting the portfolio mix by issuer.

ICPEI Holdings Inc. bond portfolio has a high overall credit quality with an average rating of AA. The preferred shares have an average rating of P2. The average duration of the bond portfolio is 2.7 years.

The charts below show ICPEI Holdings Inc. fixed income and preferred share portfolios (excluding preferred shares ETF) by credit quality as at September 30, 2022:





Common Share Portfolio

The portfolio is comprised of a Common Share portfolio of $0.4 million held in blue chip Canadian stocks managed by RBC Wealth Management and $0.7 million invested in an exchange traded TSX 60 index fund.

Recoverable from Reinsurers

	As at September 30, 2022	As at December 31, 2021
Reinsurers' share of unpaid claims	9,851	4,230
Reinsurers' share of unearned premiums	3,530	1,050
Total	13,381	5,280

As at September 30, 2022, the amount recoverable from reinsurers increased by $8.1 million due mostly to recovery from reinsurers on Hurricane Fiona, up to $13.4 million from $5.3 million as at December 31, 2021. All reinsurers, with balances due, have a rating of A or above as determined by A.M. Best.

Accounts Receivable

	As at September 30, 2022	As at December 31, 2021
Agents and brokers	23,919	19,815
Total	23,919	19,815

The increase in Accounts Receivable is reflection of the growth in business.

(in thousands of Canadian dollars, except per share amounts and as otherwise noted)

Provision for Unpaid Claims

ICPEI Holdings Inc. establishes loss reserves to provide for future amounts required to pay claims related to insured events that have occurred and been reported but have not yet been settled, and related to events that have occurred but have not yet been reported to ICPEI Holdings Inc. Provision for unpaid claims consists of the aggregate amount of individual case reserves established and management's estimate of claims incurred but not reported and provision for adverse development. Provisions for unpaid claims are discounted to present value. The Company determines the discount rate based on the expected return on its investment portfolio of assets with appropriate assumptions for interest rates relating to reinvestment of maturing investments. The discount rates used for September 30, 2022 and December 31, 2021 for ICPEI are as below:

	As at September 30, 2022	As at December 31, 2021
ICPEI	4.62%	2.09%

Share Capital

As of August 16, 2022, there were 15,213,198 common shares issued and outstanding. On January 4, 2022, the Company issued 440,415 common shares and in June, 2022, 30,625 common shares were issued from vesting of RSUs.

LIQUIDITY AND CAPITAL MANAGEMENT

The purpose of liquidity management is to ensure there is sufficient cash to meet all of the Company's financial commitments and obligations as they come due. ICPEI Holdings Inc. believes that it has the flexibility to obtain, from internal sources, the funds needed to fulfill its cash requirements, during the following financial year and to satisfy regulatory capital requirements.

The Minimum Capital Test ("MCT") ratio of ICPEI as at September 30, 2022 was 284%, which comfortably exceeds the supervisory target of 150%.

On April 1, 2021, the Company drew a $3,000 term loan with the National Bank maturing on March 31, 2024 with repayment terms of $300 per year and $2,400 on March 31, 2024. During the third quarter of 2022, a repayment of $75 was made to the bank.

The Company also has a $2,000 revolving credit line that has not been drawn.

ICPEI Holdings Inc. is primarily a holding company and, as such, has limited direct operations of its own. Its principal assets are cash, investments and ownership of ICPEI. Selected unconsolidated balance sheet items of ICPEI Holdings Inc. as at September 30, 2022 are as follows:

	As at September 30, 2022
Cash and cash equivalents	528
Investments	2,811
Investment in Insurance Subsidiary	28,449
Other assets	476
Liabilities	3,356

Accordingly, its future cash flows depend on its investment income and the availability of dividends and other statutorily permissible distributions from ICPEI. The ability to pay such dividends and to make such other distributions is limited by applicable laws and regulations of the jurisdictions in which the insurance subsidiary is domiciled, which subject the insurance subsidiary to significant regulatory restrictions. These laws and regulations require, among other things, that the insurance subsidiary maintain minimum solvency requirements and may also limit the amount of dividends that the insurance subsidiary can pay to its parent.

COVID-19 PANDEMIC

Currently, COVID-19 did not have any significant impact on the premiums, collections, investments or other operational activities of the Company, but the impact remains uncertain as the pandemic continues to evolve.

ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial statements have been prepared in accordance with IFRS and in compliance with IAS 34 "Interim Financial Reporting." Please refer to note 4 of the unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2022.

CONTROLS AND PROCEDURES

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the unaudited condensed consolidated interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed consolidated interim financial statements and (ii) the unaudited condensed consolidated interim financial statements fairly present in all material respects the financial condition, results of operations and cash flow of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP. The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in the certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

For a description of the Company's accounting policies, which are on an IFRS basis, refer to note 4 of the unaudited condensed consolidated interim financial statements for the nine months ended September 30, 2022. A description of the Company's critical accounting estimates and assumptions is also detailed in note 5 of the audited annual consolidated financial statements for the twelve months ended December 31, 2021.

ADDITIONAL INFORMATION

Additional information relating to ICPEI Holdings Inc. is available on the Company's SEDAR profile at www.sedar.com.