MUST CAPITAL INC.

FORM 51-102F1
MANAGEMENT'S DISCUSSION & ANALYSIS (the "MD&A")

April 28, 2020

The following analysis concerns the financial situation, operating results and cash flows of Must Capital Inc. ("Must Capital" or the "Company") for the year ended December 31, 2019 and the comparable year ended December 31, 2018. This discussion should be read in conjunction with the Company's annual audited financial statements for the years ended December 31, 2019 and 2018 and related notes thereto. The Company's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All monetary amounts are reported in Canadian dollars unless otherwise noted. These documents, as well as additional information on the Company, are filed electronically through the System for Electronic Document Analysis and Retrieval (SEDAR) and are available online at www.sedar.com.

Forward-Looking Statements

This document may contain forward-looking statements relating to the Company's operations or to the environment in which it operates, which are based on the Company's operations, estimates, forecasts and projections. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict or are beyond the Company's control. A number of important factors including those set forth in other public filings could cause actual outcomes and results to differ materially from those expressed in these forward-looking statements. Consequently, readers should not place any undue reliance on such forward-looking statements. In addition, these forward-looking statements relate to the date on which they are made.

Forward-looking information reflects the Company's current beliefs and is based on information currently available to the Company and on assumptions it believes to be not unreasonable in light of all of the circumstances. In some instances, material factors or assumptions are discussed in this MD&A in connection with statements containing forward-looking information. Such material factors and assumptions include, but are not limited to: the Company's ability to identify and complete acquisitions or new investments to create shareholder value; the Company's ability to retain key members of its management teams; and the Company's ability to access the capital markets. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein is made as of the date of this MD&A and, other than as required by law, the Company's disclaims any obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.

Company History and Business Overview

Must Capital Inc. was incorporated pursuant to the provisions of the *Business Corporations Act* (Ontario) on September 7, 2010. On June 12, 2015, the Company completed its Qualifying Transaction, as defined under the rules of the TSV Venture Exchange (the “Exchange”), with Intrinsic 4D LLC (“Intrinsic4D”). The Class A common shares of the Company commenced trading on the Exchange under the stock symbol "IFD.V" on June 19, 2015. On April 3, 2017, Intrinsic4D ceased commercial operations as result of the realization of its operating assets by a creditor. On January 10, 2019, the Company completed the consolidation of its common shares on the basis of one post-consolidation common share for every twenty-five (25) pre-consolidation common shares and changed its name to “Must Capital Inc.” As a result, all outstanding share, option and warrant information presented in this report has been retroactively adjusted on this basis.

The Company has focused its efforts on identifying for purchase other active business interests, both within and outside of the software industry. The Company has not yet identified or selected any additional specific investment opportunity or business. Accordingly, there is no current basis for the reader to evaluate the possible merits or risks of the investment opportunity which the Company may ultimately decide to pursue.

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or its ability to raise funds.

Effective as of market open on May 16, 2017, the voting common shares of the Corporation were transferred to NEX, the trading symbol was change from IFD to IFD.H., and the Corporation’s TSXV Tier classification changed from Tier 2 to NEX. NEX is a separate board of TSXV that provides a trading forum for listed companies that have fallen below the TSXV’s ongoing listing standards.

Effective fiscal 2018, the Company changed the currency in which it presents its financial statements from the U.S. dollar to the Canadian dollar.

Annual information

	Year ended December 31, 2019	**Year ended December 31, 2018**	**Year ended December 31, 2017**
Total revenues	-	-	-
Loss and comprehensive loss	(332,529)	(587,378)	(969,975)
Loss per share – basic	(0.03)	(0.17)	(0.35)
Loss per share – diluted	(0.03)	(0.17)	(0.35)
	As at December 31, 2019	**As at December 31, 2018**	**As at December 31, 2017**
Total assets	72,998	14,308	9,953
Total non-current financial liabilities	nil	nil	3,128,000
Distribution or cash dividends	nil	nil	nil

Results of Operations

As at December 31, 2019, the Company had cash and cash equivalents of $70,693 (December 31, 2018 - $14,308) and total current assets of $72,998 (December 31, 2018 - $14,308).

Current liabilities on December 31, 2019 totalled $46,565 and was comprised of trade payables. Current liabilities on December 31, 2018 totalled $707,256 and was comprised of trade payables and convertible debentures from related parties.

Working capital, which is comprised of current assets less current liabilities, was $26,433 at December 31, 2019 compared to a deficit of ($692,948) at December 31, 2018.

For the year ended December 31, 2019 the Company had a loss and comprehensive loss of $332,529 (2018 - $587,378). A discussion of the revenue and expenses is noted below.

	2019	2018
Expenses		
Consulting	**$ 242,350**	$ 406,800
Filing and transfer agent	**26,584**	29,622
Office	**868**	7,460
Professional fees	**122,320**	126,305
Loss before other items	**(392,122)**	(570,187)
Gain on settlement of debt	**68,471**	-
Interest and accretion	**(8,878)**	(17,191)
Net loss and comprehensive loss for the	**$ (332,529)**	$ (587,378)
Weighted average number of shares - basic and diluted	**12,900,125**	3,484,385
Loss per share - basic and diluted	**$ (0.03)**	$ (0.17)

Expenses:
Legal and accounting expenses, audit, transfer agent and management fees have all been fairly constant from April 2018 through to the present. Consulting fees have decreased recently as management has completed a re-structure of the Company and hired consultants and professionals to do so. The Company has been expending approximately $28,000 per month over the year ended December 31, 2019.

Interest and accretion:
Interest and accretion for 2018 and 2019 was related to the related party convertible debentures. These expenses have stopped as the full value of these debentures has been settled by the Company through the issue of a mix of common shares and warrants on May 2, 2019 and also on July 29, 2019.

Summary of quarterly results (adjusted for discontinued operations)

Three Months Ended	Net Revenues ($)	Income (Loss) and Comprehensive Income (Loss)	
		Total ($)	Basic and Diluted Income (Loss) Per Share ($)
31-Dec-19	-	37,086	0.01
30-Sept-19	-	(57,664)	(0.01)
30-Jun-19	-	(173,579)	(0.02)
31-Mar-19	-	(138,372)	(0.03)
31-Dec-18	-	(155,628)	(0.04)
30-Sept-18	-	(150,423)	(0.03)
30-June-18	-	(242,462)	(0.05)
31-Mar-18	-	(38,685)	(0.01)

Fourth Quarter Results

In the three month period ended December 31, 2019 the Company had completed the reorganization activities that it had undertaken through most of the year and in the fourth quarter of the previous year and now has lower overall operating expenses. The Company is now focused on identifying for purchase other active business interests, both within and outside of the software industry. Consulting for the three month period ended December 31, 2019 was $15,750 (December 31, 2018 – $69,290), professional fees for the three month period ended December 31, 2019 was $8,490 (December 31, 2018 – $64,598) and filing and office expenses for the three month period ended December 31, 2019 was $7,145 (December 31, 2018 – $8,958).

Income in the three month period ended December 31, 2019 was $37,086 which reflects a gain of $68,471 recognized on the settlement of various debts that occurred throughout the fiscal year.

Liquidity and Capital Resources

	December 31, 2019	December 31, 2018
	$	$
Cash	**70,693**	14,308
Working capital (deficiency)	**26,433**	(692,948)

	Year ended December 31, 2019	Year ended December 31, 2018
	$	$
Cash used in operating activities	**(171,515)**	(63,790)
Cash from financing activities	**227,900**	75,000

Cash flows from financing activities

Cash from financing activities in the year ended December 31, 2019 was derived from two private placements. In May 2019 the Company raised gross proceeds of $189,900 (net proceeds of $177,900 after issue costs) through the sale of 3,165,001 units, with each unit being comprised of one common share and one common share purchase warrant that entitles the holder thereof to purchase one common share for a period of one year at a price of $0.08 per common share. In November 2019 the Company raised gross proceeds of $50,000 through the sale of 625,000 shares. Cash from financing activities in the year ended December 31, 2018 was from the proceeds of related party convertible debentures, offset by the repayment of a note payable.

Cash used in operating activities
Cash used in operating activities for the years ended December 31, 2019 and 2018 was relatively low compared to the much larger net loss for these periods due to corresponding increases in accounts payable and accrued liabilities for those periods. Settlement of $784,115 of the accounts payable and accrued liabilities, $100,000 in convertible debentures and $8,366 in interest through the issue of a total of 12,198,820 common shares while recognising a gain of $68,471 also allowed the Company to conserve cash by lowering cash used in operations.

The Company currently has no operating cash flow and, to-date, has financed its activities and its ongoing expenditures primarily through equity and debt offerings. The Company's financial success will continue to be dependent on its ability to secure additional financing to fund its working capital deficiency and identify and acquire new businesses to create shareholder value. The Company's available cash has been used and will continue to be used, to the extent required, to fund its negative cash flow. No assurance can be given that the Company will ever generate a positive cash flow from operations or be successful in acquiring new business operations.

The ability of the Company to continue operations will be dependent upon obtaining additional financing as required. The timing and ability to do so will depend on the liquidity of financial markets as well as the acceptance of investors to small capitalization companies. There can be no guarantee that the Company will be able to secure any required financing. Failure to obtain additional financing on a timely basis could have a material adverse effect on the Company's business and financial condition, and affect its ability to continue as a going concern

Off Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of Intrinsic including, without limitation, such considerations as liquidity and capital resources that have not previously been discussed.

Related Party Transactions

In March 2017, the Company defaulted and was unable to pay (i) the matured principal and accrued interest amount owed on a secured loan to Mosaic Makro Medical Partners, LLC ("Mosaic" or the "Debt Holder"), and (ii) the interest payments due on its convertible debentures. Because of the default on the secured debt, the secured Debt Holder sought to sell, under Article 9 of the Uniform Commercial Code, all of the assets of Intrinsic4D LLC, to the highest qualified bidder at a public sale. The Debt Holder provided notice to the Company that it credited a bid at the public sale. On April 3, 2017, at the public sale, the secured Debt Holder was the only party present, and as such was attributed all assets of Intrinsic4D LLC for USD$200,000. Mosaic is an entity controlled by the former CEO of the Company.

In Q1 2018, the Company entered into two convertible loan agreements with two directors (collectively, the "Lenders"), pursuant to which each of the Lenders lent to the Company $50,000 (the "Loan") in two tranches (first tranche advanced in Q1 2018 the second in Q2 2018). The principal amount of the loan and all accrued and unpaid interest, in whole or in part, was convertible into common shares of the Company at the option of Lenders, at a price per common share of CAD$0.05, until the Loans matured on January 14, 2019, and after that date, bore interest at a rate of 8% per annum, compounded quarterly. On May 2, 2019, the $100,000 total principal amount was settled with the directors by the issue of a total of 1,481,482 common shares and warrants for the purchase of a total of 1,481,482 common shares at $0.09 per share for one year. The remaining interest outstanding on these loans of $8,366 was settled with the directors by the issue of 159,126 common shares. Interest accrued for the year ended December 31, 2019 was $2,000 (December 31, 2018 - $6,366).

Compensation of Key Management Personnel

Key management includes members of the board, the President and Chief Executive Officer and the Chief Financial Officer. The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

During the year ended December 31, 2019, the Company was charged fees in the amount of $53,400 (2018 - $135,600) by Scharfe Holdings Inc., a company owned by a director of the Company, for consulting services. As at December 31, 2019, $Nil (2018 - $142,560) was owed to Scharfe Holdings Inc. During the year ended December 31, 2019 the Company issued 2,567,743 common shares in settlement of $189,000 owing in fees plus $6,960 owing in expenses to Scharfe Holdings Inc.

During the year ended December 31, 2019, the Company was charged fees in the amount of $67,000 (2018 - $135,600) by 2286252 Ontario Inc., a company owned by a director of the Company, for consulting services. As at December 31, 2019, $Nil (2018 - $135,600) was owed to 2286252 Ontario Inc. During the year ended December 31, 2019 the Company issued 2,652,064 common shares in settlement of $202,600 owing in fees to 2286252 Ontario Inc.

During the year ended December 31, 2019, the Company was charged fees in the amount of $75,450 (2018 - $135,600) by Pacific West Mercantile Corp., a company owned by the Chief Executive Officer of the Company, for CEO services. As at December 31, 2019, $22,050 (2018 - $135,600) was owed to Pacific West Mercantile Corp. During the year ended December 31, 2019 the Company issued 2,479,366 common shares in settlement of $189,000 owing in fees to Pacific West Mercantile Corp.

During the year ended December 31, 2019, the Company was charged fees in the amount of $13,374 (2018 - $36,035) by CFO Advantage Inc., a company owned by the former Chief Financial Officer of the Company, for CFO services. As at December 31, 2019, $Nil (2018 - $41,402) was owed to CFO Advantage Inc. During the year ended December 31, 2019 the Company issued 405,126 common shares in settlement of $27,346 owing in fees to CFO Advantage Inc.

During the year ended December 31, 2019, the Company was charged fees in the amount of $12,600 (2018 - $Nil) by the Chief Financial Officer of the Company. As at December 31, 2019, $Nil (2018 - $Nil) was owed to the Chief Financial Officer. During the year ended December 31, 2019 the Company issued 974,007 common shares and 974,007 share purchase warrants, each of which allows the holder to purchase one common share for a period of one year at a price of $0.09 per common share, in settlement of $65,746 owing to the Chief Financial Officer.

Proposed Transactions

As at the date of this MD&A there are no proposed transactions.

Accounting Estimates and judgements

The preparation of the annual financial statements for the period ended December 31, 2019 and 2018 in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The financial statements include judgments and estimates which, by their nature, are uncertain. The estimates and underlying assumptions are reviewed on an ongoing basis. The impacts of such judgments and estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and also in future periods when the revision affects both current and future periods.

Significant assumptions about the future and other sources of judgments and estimates that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- Non-cash transactions - Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.

- Deferred tax assets - Deferred tax assets are recognized in respect of tax losses and other temporary differences to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits, together with future tax planning strategies.

Financial Instruments

Fair value

Financial instruments of the Company consist of cash, accounts payable and accrued liabilities, and convertible debentures from related parties. There are no significant differences between the carrying amounts of the items reported on the statements of financial position and their estimated fair values.

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies. Where quoted market values are not readily available, the Company may use considerable judgment to develop estimates of fair value. Accordingly, any estimated values are not necessarily indicative of the amounts the Company could realize in a current market exchange and could be materially affected by the use of different assumptions or methodologies.

The Company’s risk exposures and their impact on the Company’s financial instruments are summarized below:

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, foreign exchange risk, commodity price risk and other price risk, such as equity risk. Financial instruments affected by market risk include loans and borrowings and deposits.

Interest rate risk
The Company is exposed to interest rate risk. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is exposed to interest rate risk arising from fluctuations in interest rates received on its cash balance. Fluctuations in market interest rates do not have a significant impact on the Company's results of operations due to the short-term nature of interest bearing cash.

Liquidity risk
The Company is exposed to liquidity risk. Liquidity risk is the exposure of the Company to the risk of not being able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. The Company’s future liquidity is dependent on factors such as the ability to generate cash from operations and to raise money through debt or equity financing.

Foreign exchange risk
The Company's functional currency is the Canadian dollar and all major purchases are transacted in Canadian dollars. Management believes the foreign exchange risk is negligible and therefore does not hedge its foreign exchange risk. The Company does not hold balances in foreign currencies to give rise to exposure to foreign exchange risk.

Credit risk
The Company's credit risk is primarily attributable to cash and cash equivalents. The Company has no significant concentration of credit risk arising from operations. Cash is held with reputable financial institutions, from which management believes the risk of loss to be remote. Management believes that the credit risk concentration with respect to these items is remote.

New Standards, Interpretations and amendments adopted

IFRS 16 – Leases

The Company adopted IFRS 16 - Leases ("IFRS 16") on January 1, 2019. The objective of the new standard is to eliminate the classification of leases as either operating or financing leases for a lessee and report all leases on the statement of financial position. The only exemption to this will be for leases that are one year or less in duration or for leases of assets with low values. Under IFRS 16 a lessee is required to recognize a right-of-use asset, representing its right to use the underlying asset, and a lease liability, representing its obligations to make lease payments. IFRS 16 also changes the nature of expenses relating to leases, as lease expenses previously recognized for operating leases are replaced with depreciation expense on capitalized right-of-use assets and finance or interest expense for the corresponding lease liabilities associated with the capitalized right-of-use leased assets.

The Company adopted IFRS 16 using the modified retrospective approach and did not restate comparative amounts for the year prior to first adoption. As at the date of transition, management has assessed that it does not have any leases to which IFRS 16 applies. The adoption of the new IFRS pronouncement has therefore not resulted to adjustments in previously reported figures and there has been no change to the opening deficit balance as at January 1, 2019.

Disclosure of Share Capital

As at the date of this report the Company had 20,064,812 common shares issued and outstanding.

On May 2, 2019, the Company settled indebtedness in an aggregate amount of $409,055 through the issue of 6,060,082 common shares and 2,506,807 share purchase warrants, each of which allows the holder to purchase one common share for a period of one year at a price of $0.09 per common share. The fair value of these shares was $363,605, creating a gain on settlement of $45,450.

Also on May 2, 2019, the Company closed a private placement whereby it received gross proceeds of $189,900 by issuing 3,165,001 common shares and 3,165,001 share purchase warrants, each of which allows the holder to purchase one common share for a period of one year at a price of $0.08 per common share.

On July 29, 2019, the Company settled indebtedness in an aggregate amount of $483,426 through the issue of 6,138,738 common shares. The fair value of these shares was $460,405, creating a gain on settlement of $23,021.

The company incurred a total of $12,000 in share issue costs in respect of the share transactions on May 2, 2019 and July 29, 2019.

On November 7, 2019, the Company closed a private placement whereby it received gross proceeds of $50,000 by issuing 625,000 shares.

At the beginning of the year ended December 31, 2019 the Company had 3,784 warrants outstanding with an exercise price of $16.50 per common share which expired unexercised during the year. As at December 31, 2019 the Company had a total of 5,671,808 warrants outstanding with an expiry date of May 2, 2020. 3,165,001 of these warrants are exercisable into one common share at $0.08 each and the remaining 2,506,807 at $0.09 each.

Risks

No active business operations

The Company is not currently engaged in any business operations. The Company is focused on identifying for purchase other active business interests, both within and outside of the software industry, and new investments. The Company has not yet identified or selected any additional specific investment opportunity or business where it may be possible to create shareholder value but cannot offer any assurances that it will ever find another business opportunity that management determines to be worth pursuing. The Company can also offer no assurance that if it identifies a new project and/or completes the acquisition of another business, it will be able to do so on commercially reasonable terms in a manner advantageous to its shareholders.

The Company has never engaged in the profitable operation of a business, and there can be no assurance that it will ever be able to do so. At this time, the Company has not identified or implemented a successful business plan. There is no guarantee that it will develop and sustain a suitable business operation.

Failure to obtain additional financing and going concern uncertainty

In the past, the Company has not had and does not currently have positive cash flow from operations. The Company's available cash has been used and will continue to be used to fund its negative cash flow. No assurance can be given that the Company will ever generate a positive cash flow from operations.

As at the date of this MD&A, the Company does not have sufficient funds to finance its current administration for the next twelve months. Further financing will be required to fund its ongoing operations and working capital deficiency. While there is no assurance that these funds can be raised, the Company believes such financing will be available as required. The Company's ability to continue operations is dependent on the Company's ability to secure additional financing. The Company is actively pursuing such additional sources of financing on terms that are favourable, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. Additional financing may not be available when needed or, even if available, the terms of such financing might not be favourable to the Company and might involve substantial dilution to existing shareholders. Failure to obtain additional financing on a timely basis could have a material adverse effect on the Company's business and financial condition and affect its ability to continue as a going concern.

Management

The success of the Company is currently largely dependent on the performance of its directors and officers. There is no assurance that the Company can maintain the services of its directors and officers or other qualified personnel required to operate its business. The loss of the services of these persons could have a material adverse effect on the Company and its prospects.