GENESIS ACQUISITION CORP.
MANAGEMENT DISCUSSION AND ANALYSIS
FOR THE PERIOD ENDED NOVEMBER 30, 2019

REPORT DATE
January 29, 2020

This Management Discussion and Analysis (the "**MDA**") provides relevant information on the operations and financial condition of Genesis Acquisition Corp. (the "**Company**") for the six month period ended November 30, 2019.

All monetary amounts in this MDA and in the financial statements are expressed in Canadian dollars, unless otherwise stated. Financial results are being reported in accordance with International Financial Reporting Standards ("**IFRS**").

The Company's certifying officers, based on their knowledge, having exercised reasonable diligence, are also responsible to ensure that these filings 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 is it was made, with respect to the period covered by these filings, and the consolidated financial statements together with other financial information included in these filings. The Board of Directors' approves the consolidated financial statements and MDA and ensures that management has discharged its financial responsibilities.

The MDA should be read in conjunction with the Company's audited financial statements and notes thereto for the period from incorporation on April 12, 2019 to May 31, 2019. A copy of the audited financial statements is included in the Company's final prospectus dated August 6, 2019 and available for viewing under the Company's profile on the SEDAR website at www.sedar.com.

The Company is registered in the province of British Columbia. The head office and registered office of the Company is located at 301 – 1665 Ellis Street, Kelowna, British Columbia, V1Y 2B3.

NATURE OF BUSINESS

The Company was incorporated pursuant to the provisions of the *Business Corporations Act* (British Columbia) on April 12, 2019. The Company is a Capital Pool Company (a "**CPC**") as defined in Policy 2.4 of the TSX Venture Exchange Inc. (the "**Exchange**"). The Company has not commenced commercial operations and proposes to identify and evaluate potential acquisitions of businesses, and once identified and evaluated, to negotiate an acquisition or participation subject to receipt of regulatory approval.

Until completion of a Qualifying Transaction (as defined in Exchange Policy 2.4), the Company will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential Qualifying Transaction. With the consent of the Exchange, this may include the raising of additional funds in order to finance an acquisition. Except as described in the Company's final prospectus dated August 6, 2019, the funds raised pursuant to the Company's initial public offering and any subsequent financing will be utilized only for the identification and evaluation of potential Qualifying Transactions and not for any deposit, loan or direct investment in a potential acquisition.

Although the Company has commenced the process of identifying potential acquisitions with a view to completing the Qualifying Transaction, the Company has not yet entered into an Agreement in Principle (as defined in Exchange Policy 2.4).

There is no assurance that the Company will identify an appropriate business or asset for acquisition or investment and even if so identified and warranted, it may not be able to finance such acquisition or investment. Additional funds may be required to enable the Company to pursue such an initiative and the Company may be unable to obtain such financing on terms, which are satisfactory to it. Furthermore, there is no assurance that a businesses or asset acquired will be profitable.

The condensed interim financial statements have been prepared on a going concern basis, meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. The continuing operations of the Company are dependent upon its ability to identify, evaluate, negotiate and complete a Qualifying Transaction, which, as disclosed here below, is questionable at this time.

As a CPC, the Company is required to complete a Qualifying Transaction within 24 months of the date of the listing of it shares on the Exchange. The Company completed its initial public offering and its Common Shares were listed on the Exchange during the third quarter of 2019. The rules of the Exchange provide that, if a CPC is unable to complete a Qualifying Transaction by its 24th month anniversary, the CPC may be granted an additional 90 days in which it may continue to pursue the completion of the proposed Qualifying Transaction notwithstanding that its shares may be suspended from trading. At the time of suspension, a CPC will have two options to retain a listing on the Exchange, namely the completion of a Qualifying Transaction or transferring to the Exchange's NEX board. The purpose of the 90-day extension after suspension is to provide a CPC with sufficient time to obtain the necessary approvals and provide the Exchange with the required documentation to transfer to NEX. In order to be eligible to list on NEX, a CPC must obtain majority shareholder approval to transfer to NEX exclusive of the votes of non-arm’s length parties of the CPC and cancel some or all the seed shares issued by the CPC.

DISCUSSIONS OF OPERATIONS AND FINANCIAL CONDITION

As at the date of the MDA, the Company had not completed its Qualifying Transaction and all business activity was directed towards the completion of this initial public offering.

The Company's expenditures will include costs to maintain a public company in good standing and expenses to identify and evaluate acquisitions of companies, businesses, assets or properties. Public company costs include professional fees for audit and legal, transfer agent fees, insurance fees, Exchange listing and filing fees and costs of preparing, printing and filing continuous disclosure documents.

SELECTED FINANCIAL INFORMATION AND SUMMARY OF QUARTERLY RESULTS

The Company was incorporated on April 12, 2019. A summary of selected quarterly financial information is as follows:

	Six months ended November 30, 2019	Three months ended August 31, 2019	Period from incorporation on April 12, 2019 to May 31, 2019
Revenue	-	-	-
Expenses	$79,681	$7,918	13,918
Net loss	($79,681)	(7,918)	($13,918)
Basic and diluted net loss per share	-	-	-
Cash	$456,267	$108,832	$121,250
Assets	$456,227	$122,582	$135,000
Working Capital	$449,328	$121,082	$129,000

During the six months ending November 30, 2019, the Company incurred a loss of $79,681, which relates to $2,976 in office costs, $61,028 for professional fees and $15,677 in regulatory fees. This summary of quarterly results should be read in conjunction with the condensed interim financial statements and notes thereto of the Company for the period ended November 30, 2019.

LIQUIDITY AND CAPITAL RESOURCES

The Company utilizes existing cash and the issuance of common shares to provide liquidity to the Company. The Company’s primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue the plans of identifying and completing a Qualifying Transaction, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

As at November 30, 2019, the Company had net working capital of $449,328 comprised of cash which management considers being enough for the Company to meet its ongoing obligations beyond one year.

During the period ended May 31, 2019 the Company completed a private placement of 1,350,000 common shares at $0.10 per common share for gross proceeds of $135,000. All common shares are subject to escrow.

The Company completed its IPO of 2,300,000 common shares at $0.20 per common share for gross proceeds of $460,000 on October 30, 2019. In connection with the completion of the IPO, the Company paid a cash fee of $46,000 and issued 230,000 agents warrants to the agents for the IPO. Each agent warrant entitles the holder to acquire one common share of the Company at an exercise price of $0.20 per share and expires 2 years from the date the common shares were listed for trading on the Exchange.

The Company has no long-term debt obligations.

OUTSTANDING SHARE CAPITAL

(a) As of the date of the MDA the Company has 3,650,000 issued and outstanding common shares. The authorized share capital is unlimited no par value common shares.

(b) As at the date of the MDA the Company has 365,000 incentive stock options outstanding.

(c) As at the date of the MDA the Company has 230,000-share purchase warrants outstanding.

TRANSACTION WITH RELATED PARTIES

Key management personnel include those persons having the authority and responsibility of planning, directing and executing the activities of the Company. The Company has determined that its key management personnel consist of its Executive Officers and Directors. Other related parties to the Company include companies in which key management have control or significant influence. Key management personnel receive no salaries, non-cash benefits (other than incentive stock options), or other remuneration directly from the Company.

OFF-BALANCE SHEET ARRANGEMENTS

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

INVESTOR RELATIONS

As a CPC, the Company is not permitted to engage any investor relations' contractors. Any inquiries from existing or prospective investors are typically directed to Blair Wilson, President, Chief Executive Officer and Chief Financial Officer of the Company.

PROPOSED TRANSACTIONS

There is no imminent decision by the Board of Directors of the Company with respect to any transaction beyond what is included in this MDA.

CRITICAL ACCOUNTING ESTIMATES

This MDA is based on the financial statements, which have been prepared in accordance with IFRS. The preparation of the financial statements requires that certain estimates and judgments are based on historical experience and on various other assumptions that are believed to be reasonable under the circumstances.

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and income and expenses. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The accounting estimates for share based payments is based on the Black-Scholes option valuation model which was developed for use in estimating the fair value of traded options which were fully tradable with no vesting restrictions. This option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Since the Company's stock options have characteristics significantly different from those of traded options and since changes in the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements include the assessment of the Company's ability to continue as a going concern.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

There were no changes in the Company's significant accounting policies during the period ended November 30, 2019 that had a material effect on its condensed interim financial statements. The Company's significant accounting policies are disclosed in Note 3 to its financial statements for the period ended November 30, 2019.

RISKS AND UNCERTAINTIES

Investing in the common shares of the Company involves risk. Prospective investors should carefully consider the risks described below, together with all the other information included in this MDA before making an investment decision. If any of the following risks occurs, the business, financial condition or results of operations of the Company could be harmed. In such an event, the trading price of the common shares could decline, and prospective investors may lose part or all their investment.

No Operating History

The Company was incorporated on April 12, 2019, has not commenced commercial operations. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to produce earnings or pay dividends in the immediate or foreseeable future. The Company has only limited funds with which to identify and evaluate potential acquisitions of a material asset or a business (Qualifying Transaction) and there can be no assurance that the Company will be able to do so. Even if a Qualifying Transaction is identified, there can be no assurance that the Company will be able to successfully complete the transaction.

Possible Trading Suspension or Delisting

Suspension from trading of the common shares may, and delisting of the common shares will, result in the regulatory securities authorities issuing an interim cease trade order against the Company. In addition, delisting of the common shares will result in the cancellation of all of the currently issued and outstanding common shares of the Company held by Insiders. Trading in the common shares of the Company may be halted at other times for other reasons, including for failure by the Company to submit documents to the Exchange in the time periods required.

Halt of Trading

Upon public announcement of a potential Qualifying Transaction, trading in the common shares of the Company will be halted and will remain halted until Completion of the Qualifying Transaction, or sooner pursuant to Policy 2.4. Neither the Exchange nor any securities regulatory authority passes upon the merits of the potential Qualifying Transaction.

Exchange May Not Approve a Qualifying Transaction

Completion of a Qualifying Transaction is subject to a number of conditions including acceptance by the Exchange and in the case of a Non-Arm's Length Qualifying Transaction, Majority of the Minority Approval as such terms are defined in Policy 2.4.

Notwithstanding that a transaction may meet the definition of a Qualifying Transaction; the Exchange may not approve a proposed transaction:

(a) If the Company fails to meet the initial listing requirements prescribed by Policy 2.1 – Initial Listing Requirements of the Exchange upon Completion of the proposed Qualifying Transaction;

(b) If, following Completion of the proposed Qualifying Transaction, the Company will be a finance company, or a mutual fund as defined under applicable securities laws;

(c) The consideration proposed to be paid by the Company in connection with the proposed Qualifying Transaction is not acceptable to the Exchange; or

(d) For any other reason at the sole discretion of the Exchange.

Approval by the Majority of the Minority

Where Majority of the Minority Approval is required, unless the shareholder has the right to dissent and be paid fair value in accordance with the applicable corporate or other law, a shareholder who votes against a proposed Non-Arm's Length Qualifying Transaction for which Majority of the Minority Approval by shareholders has been given, will have no rights of dissent and no entitlement to payment by the Company of fair value for the common shares.

Dilution

If the Company issues treasury shares to finance acquisition or participation opportunities, control of the Company may change, and subscribers may suffer dilution of their investment.

Directors and Officers

The directors and officers of the Company will not be devoting all of their time to the affairs of the Company but will be devoting such time as required to effectively manage the Company. Some of the directors and officers of the Company are engaged and will continue to be engaged in the search for assets or businesses on their own behalf or on behalf of others such that conflicts may arise from time to time. Because of such conflicts, the Company may be exposed to liability and its ability to achieve its business objectives may be impaired.

Reliance on Management

The Company is relying solely on the past business success of its directors and officers to identify a Qualifying Transaction of merit. The success of the Company is dependent upon the efforts and abilities of its directors and officers. The loss of any of its directors or officers could have a material adverse effect upon the business and prospects of the Company.

Foreign Acquisition
In the event the Company identifies a foreign business as a proposed transaction, investors may find it difficult or impossible to effect service or notice to commence legal proceedings upon any management resident outside of Canada or upon the foreign business and may find it difficult or impossible to enforce against such persons, judgments obtained in Canadian courts.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data

The fair value of cash is measured at Level 1 of the fair value hierarchy. The carrying value of receivables and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Financial risk factors

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

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and receivables. Management believes that the credit risk concentration with respect to financial instruments included in receivables is remote and has deposited cash in high credit quality financial institutions.

Liquidity risk

As of November 30, 2019, the Company had cash balance of $456,267 to settle current liabilities of $6,948. The Company is not exposed to liquidity risk.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade demand investments issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

Foreign currency risk

The Company is not exposed to foreign currency risk as no assets or liabilities are denominated in foreign currency.

Price risk

The Company's exposure to price risk with respect to equity prices is insignificant. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

<u>CAPITAL MANAGEMENT</u>

The Company is a CPC and considers items included in shareholders' equity as capital. The Company has no long-term debt.

The Company's primary objective with respect to its capital management is to ensure that it has enough cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue the plans of identifying and completing a Qualifying Transaction, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The Company is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital. There has been no change to the Company's capital management practices since incorporation.

FORWARD LOOKING STATEMENTS

Certain statements contained in this MDA, including statements or information that contain terminology such as "anticipate", "believe", "intend", "expect", "estimate", "may", "could", "will", and similar expressions constitute "forward-looking statements" within the meaning of applicable Canadian securities legislation. All statements, other than statements of historical fact, that address activities, events, or developments that we or a third party expect or anticipate will or may occur in the future, including our future growth, results of operations, performance and business prospects and opportunities are forward-looking statements.

These forward-looking statements reflect our current beliefs and are based on information currently available to us. These statements require us to make assumptions we believe are reasonable and are subject to inherent risks and uncertainties. Actual results and developments may differ materially from the results and developments discussed in the forward-looking statements as certain of these risks and uncertainties are beyond our control.

Examples of such forward-looking statements in this MDA include, but are not limited to, our ability to complete a Qualifying Transaction at all, or if completed, on terms that are ultimately beneficial to shareholders. These forward-looking statements are based on a number of assumptions that may prove to be incorrect, which include, but are not limited to:

- Our ability to obtain necessary financing to complete a Qualifying Transaction;
- Our ability to satisfy conditions under any acquisition agreement for a Qualifying Transaction; and
- Meeting the conditions of the Exchange with respect to the Qualifying Transaction.

Consequently, all of the forward-looking statements made in this MDA are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company. These forward-looking statements are made as of the date of this MDA. Except as required by applicable securities legislation, we assume no obligation to update publicly or revise any forward-looking statements to reflect subsequent information, events, or circumstances.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on the SEDAR web site www.sedar.com.