
PC 1 CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE PERIOD ENDED JANUARY 31, 2023

DATED MARCH 24, 2023

Disclosure Regarding Forward-Looking Statements

This Management Discussion and Analysis contains forward-looking statements that include risks and uncertainties that are disclosed under the section Risk Factors. Other factors that could affect actual results are uncertainties pertaining to government regulations, both domestic as well as foreign, and the changes within the capital markets. Other risks may be disclosed from time to time in PC 1 Corp.'s public disclosures.

PC 1 Corp..
Management's Discussion and Analysis
Table of Contents

ITEM 1 -	Overview	1
ITEM 2 -	Selected Annual Information.....	2
ITEM 3 -	Results of Operations.....	2
ITEM 4 -	Summary of Quarterly Results.....	3
ITEM 5 -	Liquidity	4
ITEM 6 -	Capital Resources	5
ITEM 7 -	Off-Balance Sheet Arrangements	5
ITEM 8 -	Transactions With Related Parties.....	5
ITEM 9 -	Proposed Transactions	5
ITEM 10 -	Risk Factors.....	6
ITEM 11 -	Critical Accounting Estimates	7
ITEM 12 -	Changes in Accounting Policies	7
ITEM 13 -	Financial Instruments and Other Instruments	8
ITEM 14 -	Capital Structure	8
ITEM 15 -	Other MD&A Requirements	8

Unless otherwise indicated, in this Management's Discussion and Analysis ("**MD&A**") all references to "**dollar**" or the use of the symbol "\$" are to the Canadian Dollar.

The preparation of the financial statements are in conformity with Canadian Generally Accepted Accounting Principles ("**CGAAP**") that have been revised to incorporate International Financial Reporting Standards ("**IFRS**") and requires management to make assumptions that affect the reported amounts of assets, liabilities and expenses in addition to the disclosure of contingent liabilities at the date of the financial statements and reporting amounts. PC 1 Corp. (the "**Corporation**") bases its estimates on historical experience, current trends and various other assumptions that are believed to be reasonable under the circumstances. Actual results could differ and will most likely differ from those estimates.

ITEM 1 - Overview

The Corporation plans to list its common shares on the TSX Venture Exchange (the "**Exchange**") for trading under the symbol PCAA.P upon the completion of its initial public offering ("**IPO**") as disclosed in a prospectus filed with the securities regulators and dated October 19, 2021 (the "Prospectus").

The Corporation is be classified as a Capital Pool Company as described in the policies of the Exchange. As a result, the Corporation's current business is to identify and evaluate business and assets with a view to completing a Qualifying Transaction, as described in the policies of the Exchange. Any proposed Qualifying Transaction must be accepted by the Exchange and in the case of a non-arm's length Qualifying Transaction must also receive majority of the minority approval in accordance with policies of the Exchange. The Corporation has not conducted commercial operations and will not enter into discussions for the purpose of identifying potential acquisitions or interest until after the IPO. The Corporation is not specifically considering a company, asset or business in any specific business or industry sector, or in any particular geographical area, and the Corporation anticipates reviewing companies, assets and businesses in a broad range of industry sectors and geographical areas.

Until completion of a Qualifying Transaction, the Corporation 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 Corporation's prospectus, the funds raised pursuant to the IPO 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.

Proposed Transaction – Cashtag

On January 3, 2022, the Corporation signed a Letter of Intent with Cashtag Media Corp. ("**Cashtag**"), pursuant to which and subject to completion of satisfactory due diligence, a definitive purchase agreement (the "Agreement"), receipt of applicable approvals and other standard closing conditions, the Corporation intends to acquire all of the issued and outstanding common shares of Cashtag for consideration consisting of 28,227,273 common shares (prior to any shares to become issuable following the Concurrent Financing (as defined below)) at a deemed price of \$0.2125604 per share. Common shares of Cashtag will be converted into common shares of the Corporation on the basis of approximately 1.129090909 common share of the Corporation for each Cashtag share.

Prior to or concurrently with the closing of the Qualifying Transaction, Cashtag will complete a private placement raising a minimum of \$1,900,000 (the "**Concurrent Financing**"). The issue price per security in the Concurrent Financing will be no less than \$0.2125604 and the specific terms of the Concurrent Financing will be determined by Cashtag.

On May 19, 2022, the Cashtag proposed transaction was terminated.

Proposed Transaction - ARWAY

On June 2, 2022, The Corporation entered into a binding letter of agreement ("**Agreement**") with ARWAY Ltd. ("**ARWAY**") which outlines the general terms and conditions of a proposed transaction pursuant to which the

Corporation will enter into a business combination pursuant to which it shall acquire the assets of ARWAY (the "**ARWAY Transaction**") in exchange for 16,000,000 post consolidated common shares of the Corporation.

The ARWAY Transaction is subject to a number of conditions precedent, which includes the following:

- 1) Shareholders' of the Corporation are to approve (i) a change of name acceptable to ARWAY's sole shareholder, (ii) elect three directors to the board of directors, (iii) consolidated its issued common shares so that there is no more than 8,000,000 common shares after such consolidation, (iv) approve a new rolling 20% stock option plan and if required by the Exchange the approval of the transaction being contemplated;
- 2) ARWAY is to assist directly in the raising of a minimum of \$700,000 as part of a brokered private placement of a minimum amount of \$1,500,000 via subscription receipts, which each subscription receipt convertible at closing into a post consolidated common share of the Corporation and 1 share purchase warrant, providing the holder to purchase 1 additional post consolidated common share of the Corporation at a price of \$0.50 for a period of 3 years from the date of issuance.

In June 2022, the ARWAY Transaction was cancelled by ARWAY and they paid the Corporation a \$50,000 termination fee.

Although the Company continues to search for a potential acquisition with a view to completing a Qualifying Transaction there is no assurances that such a transaction will be completed.

ITEM 2 - Selected Annual Information

The following is selected annual information, however for the period ending July 31, 2021, only the period from January 8, 2021 (date of incorporation) to July 31, 2021 is presented.

	2022	2021
Net revenues	\$ nil	\$ nil
Net loss	(44,087)	(88,204)
Total assets	545,610	231,527
Long term liabilities	Nil	Nil
Loss per share	0.01	0.02
Cash dividends per share	0.00	0.00

For further audited financial information, please refer to the Corporation's audited financial statements that have been filed on SEDAR.

ITEM 3 - Results of Operations

For the periods ended July 31, 2022 and 2021, the Corporation had no revenues.

For the fiscal period ended July 31, 2022, the Corporation incurred consulting fees of \$24,000 versus \$16,548 the year earlier for a negative variance of \$7,452 or 45.0%. The Corporation does not have a staff and uses outside consultants and professionals to manage its affairs.

For the fiscal period ended July 31, 2022, the Corporation incurred non-cash compensation expenses of \$37,098 versus \$18,920 the year earlier for a negative variance of \$18,178 or 96.1% relating to the issuance incentive stock options.

For the fiscal period ended July 31, 2022, the Corporation incurred professional fees of \$23,136 versus \$52,087 the year earlier for a positive variance of \$28,951 or 55.6% relating to having its common shares listed on the Exchange and meeting continuous financial reporting requirements.

For the fiscal period ended July 31, 2022, the Corporation incurred regulatory fees of \$9,853 versus \$649 the year earlier for a negative variance of \$9,204. The increase is due to the listing of the Corporation's shares onto the Exchange and the transfer agent's fees and shareholders' communications.

For the fiscal period ended July 31, 2022, the Corporation operating loss was \$94,087 versus \$88,204 the year earlier for a negative variance of \$5,883 or 6.7%.

For the fiscal year ended July 31, 2022, the Corporation received \$50,000 upon the termination of a proposed qualifying transaction.

Net loss for the fiscal year ended July 31, 2022 was \$44,087 resulting in a loss per share of \$0.01 based on 8,566,438 weighted average common shares outstanding – basic and diluted. Net loss for the period ended July 31, 2021 was \$88,204 resulting in a loss per share of \$0.02 based on 3,750,000 weighted average common shares outstanding – basic and diluted.

During the fiscal year ended July 31, 2022, the Corporation raised \$500,000 via the issuance of 5,000,000 common shares. During the period ending July 31, 2021, the Corporation raised \$255,000 via the issuance of 5,100,000 common shares.

As at July 31, 2022, the Corporation had a working capital in the amount of \$514,541 (July 2021 - \$185,716).

ITEM 4 - Summary of Quarterly Results

The following table sets forth, for each quarter ended on the date indicated since incorporation, information relating to the Corporation's revenue, net loss and loss per common share as prepared under Canadian GAAP.

	Revenues	Net Income (Loss)	Income/share: basic and diluted
January 31, 2023	\$ —	\$ (9,472)	\$ (0.001)
October 31, 2022	—	(13,679)	(0.001)
July 31, 2022	—	16,389	0.002
April 30, 2022	—	(25,438)	(0.002)
January 31, 2022	—	9,257	(0.001)
October 31, 2021	—	(44,295)	(0.009)
July 31, 2021	—	(39,923)	(0.008)
April 30, 2021	—	(41,213)	(0.008)

For the three-months ended January 31, 2023 versus January 31, 2022

For the three-months ending January 31, 2023, the Corporation had no revenues.

For the three months ended January 31, 2023, the Corporation incurred administrative and general expenses of \$25 versus \$Nil the year earlier for a negative variance of \$25.

For the three-months ended January 31, 2023, the Corporation incurred consulting fees of \$8,000 versus \$2,000 the year earlier for a negative variance of \$6,000. The Corporation does not have a staff and uses outside consultants and professionals to manage its affairs.

For the three months ended January 31, 2023, the Corporation incurred non-cash compensation expenses of \$nil versus \$37,098 the year earlier for a positive non-cash variance of \$37,098, relating to the issuance of 510,000 incentive stock options.

For the three-months ended January 31, 2023, the Corporation incurred professional expenses of \$8,506 versus (\$38,197) a year earlier for a negative variance of \$46,703 or 122.3%. The Company uses outside professionals for its legal and meet its continuous financial disclosure requirements.

For the three-months ended January 31, 2023, the Corporation incurred regulatory fees of \$867 versus (\$10,158) the year earlier.

For the three-months ended January 31, 2023, the Corporation earned \$7,926 in interest income versus \$nil the year earlier.

For the three-months ended January 31, 2023, the Corporation recognized a net loss of \$7,472 versus a gain of \$9,257 a year earlier for a negative variance of \$16,729, resulting in an earnings per share of \$0.00 based on 10,350,000 weighted average common shares outstanding – basic and diluted versus a loss per share of \$0.01 based on 8,561,538 weighted average common shares outstanding – basic and diluted the year earlier.

For the six-months ended January 31, 2023 versus January 31, 2022

For the six-months ending January 31, 2023, the Corporation had no revenues.

For the six-months ended January 31, 2023, the Corporation incurred administrative and general expenses of \$68 versus \$Nil the year earlier for a negative variance of \$25.

For the six-months ended January 31, 2023, the Corporation incurred consulting fees of \$14,000 versus \$2,000 the year earlier for a negative variance of \$12,000. The Corporation does not have a staff and uses outside consultants and professionals to manage its affairs.

For the six-months ended January 31, 2023, the Corporation incurred non-cash compensation expenses of \$nil versus \$37,098 the year earlier for a positive non-cash variance of \$37,098, relating to the issuance of 510,000 incentive stock options.

For the six-months ended January 31, 2023, the Corporation incurred professional expenses of \$14,604 versus (\$10,282) a year earlier for a negative variance of \$24,886 or 242%. The Company uses outside professionals for its legal and meet its continuous financial disclosure requirements.

For the six-months ended January 31, 2023, the Corporation incurred regulatory fees of \$2,407 versus \$6,222 the year earlier for a positive variance of \$3,815.

For the six-months ended January 31, 2023, the Corporation earned \$7,926 in interest income versus \$nil the year earlier.

For the six-months ended January 31, 2023, the Corporation recognized a net loss of \$23,151 versus a loss of \$35,038 a year earlier for a negative variance of \$11,887, resulting in an earnings per share of \$0.00 based on 10,350,000 weighted average common shares outstanding – basic and diluted versus a loss per share of \$0.01 based on 6,821,311 weighted average common shares outstanding – basic and diluted the year earlier.

As at January 31, 2023, the Corporation had working capital in the amount of \$493,390 (July 2022 - \$513,552, January 31, 2022 - \$523,590).

ITEM 5 - Liquidity

As at January 31, 2023, the Corporation had a cash and cash equivalent balance of \$477,587 (July 31, 2022 - \$513,552, January 31, 2022 - \$522,341).

In addition to its cash on hand, the Corporation has the following options issued and outstanding:

Quantity	Type	Exercise Price	Expiry Dates
510,000	Incentive Options	\$ 0.05	March 5, 2026
500,000	Incentive Options	0.10	December 2, 2026
500,000	Broker Warrants	0.10	December 2, 2023

ITEM 6 - Capital Resources

Upon the identification of a potential acquisition with a view to completing a Qualifying Transaction, the Corporation may, in order to finance the Corporation's future development and expansion seek, to raise additional funds until such time as cash flow from its potential acquisition is sufficient to fund internal growth. The timing and ability of the Corporation to fulfill this objective will depend on the liquidity of the financial markets as well as the willingness of investors to finance such a business. Such future financing may be completed by the issuance of the Corporation's securities.

ITEM 7 - Off-Balance Sheet Arrangements

As of the date of this MD&A, the Corporation 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 the Corporation including, without limitation, such considerations as liquidity and capital resources that have not previously been discussed.

ITEM 8 - Transactions With Related Parties

Related party transactions include transactions with parties related by common directors and transactions with other private entities owned or controlled by officers and directors. All transactions are provided in the normal course of business and are measured at exchange amounts agreed upon by the related parties.

For the period from, to January 31,	November 1, 2023	2022	August 1, 2023	2022
Expenses				
Consulting Fees	\$ 8,000	2,000	\$ 14,000	\$ 2,000
Stock-based compensation	—	37,098	—	37,098
Included with accounts payable and accrued liabilities			—	8,000
Payments to key management				

For the period from To January 31,	November 1, 2023	2022	August 1, 2023	2022
Consulting Fees	\$ 8000	\$ 2,000	\$ 6,000	\$ 2,000
Stock-based compensation	—	37,098	—	37,098

In addition, during the period ended July 31, 2021, the Corporation issued 2,620,000 common shares at a value of \$0.05 for a total of \$131,000 to certain officers and/or directors of the Corporation.

ITEM 9 - Proposed Transactions

As of the date of this document, there is no proposed transaction that management of the Corporation believes would require the intervention or approval of the Board of Directors of the Corporation as well as the shareholders of the Corporation.

ITEM 10 - Risk Factors

The Corporation has not yet commenced operations. The following is a brief description of some of the risks that investors should be aware of. This discussion should not be considered complete and therefore, the Corporation, its directors and officers would like to recommend that shareholders, lenders, investors and readers of this MD&A, and other documents that the Corporation may disseminate, to review their investments directly with their financial advisors.

- (a) the Corporation was only recently incorporated, has not commenced commercial operations and has no assets other than cash. It has no history of earnings, and shall not generate earnings or pay dividends until at least after Completion of a Qualifying Transaction;
- (b) investment in the Common Shares of the Corporation is highly speculative given the proposed nature of the Corporation's business and present stage of development;
- (c) the directors and officers of the Corporation will only devote a portion of their time to the business and affairs of the Corporation and some of them are or will be engaged in other projects or businesses such that conflicts of interest may arise from time to time;
- (d) there can be no assurance that an active and liquid market for the Corporation's Common Shares will develop and an investor may find it difficult to resell its Common Shares;
- (e) until completion of a Qualifying Transaction, the Corporation is not permitted to carry on any business other than the identification and evaluation of a potential Qualifying Transaction;
- (f) the Corporation has only limited funds with which to identify and evaluate a potential Qualifying Transactions and there can be no assurance that the Corporation will be able to identify a suitable Qualifying Transaction;
- (g) even if a proposed Qualifying Transaction is identified, there can be no assurance that the Corporation will be able to successfully complete the transaction;
- (h) 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;
- (i) unless the shareholder has the right to dissent and be paid fair value in accordance with 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 Corporation of fair value for the Common Shares;
- (j) upon public announcement of a proposed Qualifying Transaction, trading in the Common Shares of the Corporation will be halted and will remain halted for an indefinite period of time, typically until a sponsor has been retained (if required) and certain preliminary reviews have been conducted. The Common Shares of the Corporation may be reinstated to trading before the Exchange has reviewed the transaction and before the sponsor has completed its full review. Reinstatement to trading provides no assurance with respect to the merits of the transaction or the likelihood of the Corporation completing the proposed Qualifying Transaction;
- (k) trading in the Common Shares of the Corporation may be halted at other times for other reasons, including for failure by the Corporation to submit documents to the Exchange in the time periods required;;
- (l) neither the Exchange nor any securities regulatory authority passes upon the merits of the proposed Qualifying Transaction;

- (m) in the event that management of the Corporation resides outside of Canada or the Corporation identifies a foreign business as a proposed Qualifying 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;
- (n) the Qualifying Transaction may be financed in whole or in part by the issuance of additional securities by the Corporation and this may result in further dilution to the investor, which dilution may be significant and which may also result in a change of control of the Corporation;
- (o) subject to prior acceptance by the Exchange, the Corporation may be permitted to loan or advance up to the greater of \$250,000 and 20% of its working capital to a target business without shareholder approval and there can be no assurance that the Corporation will be able to recover that loan;
- (p) the Corporation cannot be certain and provides no guarantee that, if the Qualifying Transaction is completed, the business acquired pursuant to the Qualifying Transaction will be profitable or ultimately benefit the Corporation and its shareholders. Neither the Exchange nor any securities regulatory authority passes on the merits of the proposed Qualifying Transaction. The Qualifying Transaction may also result in additional dilution to the Corporation's shareholders, increased debt or a change in control of the Corporation. Any failure to successfully integrate a business acquired pursuant to the Qualifying Transaction or a failure of such business to benefit the Corporation, could have a material adverse effect on the Resulting Issuer's business and results of operations; and
- (q) the Corporation faces risks related to health epidemics, pandemics and other outbreaks of communicable diseases, which could significantly disrupt its ability to complete a Qualifying Transaction on a timely basis, or at all, and adversely effect its financial conditions. The Corporation's business could be adversely impacted by the effects of the COVID-19 pandemic or other epidemics and/or pandemics. In December 2019, COVID-19 emerged in China and the virus has now spread with infections being reported globally. On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 to be a pandemic. The extent to which COVID-19 impacts the Corporation's ability to complete a Qualifying Transaction on a timely basis, or at all, and the market for its securities, will depend on future developments, which are highly uncertain and cannot be predicted at this time, and include the duration, severity and scope of the pandemic and the actions taken to contain or treat the COVID-19 pandemic (including recommendations from public health officials). In addition, the COVID-19 pandemic represents a widespread global health crisis that could adversely affect global economies and financial markets resulting in an economic downturn that could have an adverse effect on the Corporation and its ability to complete a Qualifying Transaction in a timely manner, or at all.

ITEM 11 - Critical Accounting Estimates

The Corporation's financial statements are impacted by the accounting policies used, as well as the estimates and assumptions made by management during their preparation. The Corporation's accounting policies are described within the financial statements which are incorporated by reference and can be found on the regulator's web site at www.sedar.com.

ITEM 12 - Changes in Accounting Policies

The Corporation would like to direct readers to its audited financial statements for the period ending July 31, 2022 and unaudited condensed interim consolidated financial statements for the period ending January 31, 2023, which is incorporated by reference and can be found on the regulator's web site at www.sedar.com.

ITEM 13 - Financial Instruments and Other Instruments

The Corporation is not a party to any financial instrument, as the term is defined in National Instrument 51-102F1 - Management's Discussion and Analysis.

ITEM 14 - Capital Structure

The Corporation is authorized to issue an unlimited number of common shares, where each common share provides the holder with one vote. As of the date of this MD&A there were 10,100,000 common shares issued and outstanding.

Type	Quantity	Exercise Price	Expiry Date
Stock Options	510,000	\$ 0.05	March 5, 2026
Stock Options	500,000	0.10	December 2, 2026
Warrants	500,000	0.10	December 2, 2026

ITEM 15 - Other MD&A Requirements

As defined in National Instrument 52-109, disclosure controls and procedures require that controls and other procedures be designed to provide reasonable assurance that material information required to be disclosed is duly gathered and reported to senior management in order to permit timely decisions and timely and accurate public disclosure.

The Corporation has evaluated the effectiveness of its disclosure controls and procedures, as defined, and has concluded that they were effective as of the end of the period covered by this MD&A as well as of the date of this MD&A.

The Corporation has evaluated its internal controls and financial reporting procedures and have found them to be effective with the objective of reporting the Corporation's financial transactions.

The Corporation is not required to file an annual information form under current securities legislation and thus has not filed one.