



MAPLE PEAK INVESTMENTS INC.

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Management's Discussion and Analysis for the six months ended October 31, 2019

DATE – DECEMBER 18, 2019

This management's discussion and analysis (the "**MD&A**") of Maple Peak Investments Inc. (the "**Company**") is dated December 18, 2019. The MD&A should be read in conjunction with the unaudited interim financial statements and related notes thereto for the six months ended October 31, 2019 and 2018 and the audited financial statements and related notes thereto for the financial years ended April 30, 2019 and 2018. Copies of which are available on SEDAR at www.sedar.com.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"), which include International Accounting Standards and Interpretations ("**IFRIC**") adopted by the International Accounting Standards Board. IFRS has been applied since the Incorporation.

All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified.

FORWARD-LOOKING STATEMENT

This MD&A includes certain forward-looking information and forward-looking statements (collectively "**Forward-Looking Statements**") concerning the future performance of the Company's business, operations and financial performance and condition, as well as management's objectives, strategies, beliefs and intentions. Forward-Looking Statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. Forward-Looking Statements are based on the current opinions and expectations of management based on currently available information. All Forward-Looking Statements are inherently uncertain and subject to a variety of risks and uncertainties, as described in Risks and Uncertainties below. Such Forward-Looking Statements are based on a number of assumptions, including but not limited to, information or statements concerning the Company's expectations for its ability to raise capital and meet the Company's obligations. Should one or more risks and uncertainties materialize or should any assumptions prove incorrect, then actual events or results may differ materially from those expressed or implied in the Forward Looking-Statements. Investors are cautioned against placing undue reliance thereon. The Company undertakes no obligation to revise or update the Forward-Looking Statements, except as required by applicable law.

OVERALL PERFORMANCE

Corporate Structure and History

The Company was incorporated under the *Business Corporations Act* (British Columbia) on February 7, 2013 (“**Incorporation**”) under the name Maple Peak Investments Inc. On July 30, 2014, the Company became a reporting issuer in the Provinces of British Columbia and Alberta. On October 1, 2014, the Company completed its initial public offering and the common shares of the Company were listed on the TSX Venture Exchange (the “**Exchange**”) under the symbol “MAP.P” and immediately halted. On October 3, 2014, the common shares of the Company resumed trading on the Exchange. The Company was classified as a “**Capital Pool Company**” as that term is defined in Policy 2.4 of the Exchange (“**Policy 2.4**”).

On April 4, 2016, the Company announced its proposed Qualifying Transaction to become a Tier 2 Investment Issuer through the acquisition of such number common shares of Melco International Development Ltd. (“**Melco**”) equal to \$2,375,000 (the “**Melco Investment**”) and such number of common shares of MelcoLot Limited (“**MelcoLot**”) equal to \$125,000 (the “**MelcoLot Investment**”), subject to receipt of all necessary regulatory and Exchange approvals. The Melco Investment and the MelcoLot Investment (together, the “**Transactions**”) were to collectively constitute the Company’s “Qualifying Transaction” as defined by Policy 2.4 of the Exchange.

On July 13, 2016, the Company announced the completion of the Transactions with Melco and MelcoLot, which collectively constituted the Company’s “Qualifying Transaction”. The common shares of the Company commenced trading on the Exchange as a non-“Capital Pool Company” on July 14, 2016 under the trading symbol MAP, and continued in the business of a public gaming focused investment corporation.

Description of Business

Prior to July 14, 2016, the principal business of the Company was to identify and evaluate companies, assets or businesses with a view to completing a “**Qualifying Transaction**” as that term is defined in Policy 2.4.

Effective on July 14, 2016, the Company became a Tier 2 investment issuer with its primary focus being to seek high returns by making investments in companies involving casinos, gaming and game of chance, leisure and entertainment, and resort projects. The Company adopted a set of investment policy. Following completion of the Transactions, Company continued its existence under the existing management with: (i) Samuel Yuen-Wai Tsang appointed as the new CFO and Corporate Secretary; (ii) Lawrence Yau Lung Ho appointed as a new director and the Chairman; and (iii) Robert Kang appointed as a new independent director. A key aspect of Maple Peak’s investment strategy as an investment issuer will be seeking undervalued companies backed by strong management teams and solid business models that can benefit from vast experience that the Maple Peak’s Board has in the casinos and gaming and resort operation business. Pursuant to this investment strategy, Maple Peak identified the Transactions as its initial investments.

With the success, the Company has enjoyed with its securities investments in Melco and MelcoLot in the past year and is actively exploring business and investment opportunities in the gaming and leisure-related industry in Europe and America. The Company is evaluating a number of online gaming platforms in Europe & America and is seeking a partner with expertise in providing online gaming technology to tap into the expanding market.

Based on the expertise and business connections of its management in various fields, the Company believes that these opportunities would allow the Company to maximize the shareholders' value. The Company will conduct thorough legal, business and financial due diligence review on the target opportunities before any direct investments.

SELECTED ANNUAL INFORMATION

The financial results of the Company for the financial years ended April 30, 2019, 2018 and 2017 are summarized as follows:

	For the Financial Year ended April 30, 2019 (\$)	For the Financial Year ended April 30, 2018 (\$)	For the Financial Year ended April 30, 2017 (\$)
Total Revenue	Nil	Nil	Nil
Profit or (Loss) from Continuing Operations			
(i) Total for the Year	(907,260)	(706,999)	(138,523)
(ii) per share – basic	(0.02)	(0.01)	(0.00)
(iii) per share – fully diluted	(0.02)	(0.01)	(0.00)
Net Profit or (Loss)			
(i) Total for the Year	(907,260)	(706,999)	(138,523)
(ii) per share – basic	(0.02)	(0.01)	(0.00)
(iii) per share – fully diluted	(0.02)	(0.01)	(0.00)
Total Assets	8,891,917	12,325,808	9,749,246
Total Non-Current Financial Liabilities	-	330,905	121,469
Distributions or Cash Dividends declared per-share	Nil	Nil	Nil

DISCUSSION OF OPERATIONS

The financial results of the Company for the six months ended October 31, 2019 and a comparison of financial performance to the corresponding periods are as follows:

	Three Months ended October 31, 2019 (\$)	Six Months ended October 31, 2019 (\$)	Three Months ended October 31, 2018 (\$)	Six Months ended October 31, 2018 (\$)
Net Profit or (Loss)	(196,288)	(376,127)	(256,064)	(378,403)
Basic/Diluted Profit or (Loss) per share	(0.00)	(0.01)	(0.00)	(0.01)
Total Assets	8,992,554	8,992,554	7,740,648	7,740,648
Total Liabilities	83,633	83,633	250,292	250,292

During the six months ended October 31, 2019, the Company had a net loss of \$376,127 (2018 - \$378,403) consisting of the following:

- i) Interest income of \$36,359 (2018 - \$40,822) decreased due to a drop of cash balance;
- ii) Dividend income of \$22,170 (2018 - \$21,895) is consistent compared to the six months ended October 31, 2018;
- iii) Directors' fee of \$138,000 (2018 - \$138,000) is consistent compared to the six months ended October 31, 2018;
- iv) Accounting and legal fees of \$27,044 (2018 - \$21,088) increased given there is more auditing activities occurred during the six months ended October 31, 2018;
- v) Salaries and wages of \$330,000 (2018 - \$330,000) is consistent compared to the six months ended October 31, 2018; and
- vi) Other office expenses of \$8,584 (2018 - \$10,726) decreased because the Company incurred less of Sedar filing fee and Exchange listing fee.

As at October 31, 2019, the Company had cash and cash equivalents of \$3,338,965 (2018 - \$4,387,267), marketable securities of \$10,029 (2018 - \$nil), other receivable of \$8,285 (2018 - \$12,595) and prepaid expenses of \$945 (2018 - \$1,155).

As at October 31, 2019, the Company invested \$2,502,461 (2018 - \$2,502,461) in Melco shares and Melcolot shares. The market fair value of Melco shares and Melcolot shares was \$5,634,330 (2018 - \$3,305,540) and increased by 125% (2018 - 32%) in comparison with the original investment.

As at October 31, 2019, the Company had accounts payable and accrued liabilities of \$83,633 (2018 – \$250,292).

The Company will continue to seek high returns by making investments in companies within the scope of the Company’s investment policies.

SUMMARY OF QUARTERLY RESULTS

The financial results for each of the eight most recently completed quarters are summarized as follows:

	Three Months ended October 31, 2019 (\$)	Three Months ended July 31, 2019 (\$)	Three Months ended April 30, 2019 (\$)	Three Months ended January 31, 2019 (\$)
Total Assets	8,992,554	9,177,970	8,891,917	8,724,098
Working Capital (Deficiency)	3,274,591	3,502,880	3,719,689	3,936,745
Shareholders’ Equity	8,908,921	8,900,157	8,843,111	8,635,509
Profit or (Loss)	(196,288)	(179,840)	(313,446)	(215,411)
Profit or (Loss) per share	(0.00)	(0.00)	(0.00)	(0.00)
	Three Months ended October 31, 2018 (\$)	Three Months ended July 31, 2018 (\$)	Three Months ended April 30, 2018 (\$)	Three Months ended January 31, 2018 (\$)
Total Assets	7,740,648	10,902,042	12,325,808	11,017,236
Working Capital (Deficiency)	4,150,725	4,363,102	4,587,822	4,849,835
Shareholders’ Equity	7,490,356	10,684,452	11,789,395	10,628,104
Profit or (Loss)	(256,064)	(122,339)	(293,889)	(166,662)
Profit or (Loss) per share	(0.00)	(0.00)	(0.01)	(0.00)

Net loss for the three months ended October 31, 2019 was \$196,288, compared to a net loss of 256,064 for the three months ended October 31, 2018, for a difference of \$59,776. The most significant reasons for the increase in net loss are as follows:

- i) Income tax recovery increased by \$98,594 on unrecognized net operating loss to be used to offset the future capital gain on the disposal of investments;
- ii) Foreign exchange gain recognized on the investments of \$nil (2018 – \$22,905) which was reported on the other comprehensive income during the current quarter;
- iii) Interest income of \$17,855 (2018 – \$20,074) decreased due to a drop of cash balance;

- iv) Dividend income of \$16,058 (2018 – \$11,556) increased since Melco rose its dividend; and
- v) Accounting and legal fees of \$22,319 (2018 – \$5,128) increased given there is more auditing activities occurred during the current quarter.

For the last eight quarters, working capital has gradually decreased, mainly due to the continuous operating loss and deduction of cash.

LIQUIDITY AND CAPITAL RESOURCES

The financial results for the six months ended October 31, 2019 and a comparison of financial performance to the corresponding period are summarized as follows:

	Six months ended October 31, 2019 (\$)	Six Months ended October 31, 2018 (\$)
Decrease Cash Flows from Operating Activities	(402,858)	(389,681)
Increase (Decrease) Cash Flows from Investing Activities	-	-
Increase (Decrease) Cash Flows from Financing Activities	-	-
Decrease Cash and Cash Equivalents	(402,858)	(389,681)
Cash and Cash Equivalents – Beginning of period	3,741,823	4,776,948
Cash and Cash Equivalents – End of Period	3,338,965	4,387,267

The decrease of cash flow from operating activities is a result of continuous operating loss.

	Six Months ended October 31, 2019 (\$)	Six Months ended October 31, 2018 (\$)
Cash and Cash Equivalent	3,338,965	4,387,267
Total Assets	8,992,554	7,740,648
Total Liabilities	83,633	250,292
Share Capital	8,192,331	8,192,331
Total Shareholders' Equity	8,908,921	7,490,356
Total Liabilities and Shareholders' Equity	8,992,554	7,740,648

As at October 31, 2019, the Company had cash and cash equivalent of \$3,338,965 (2018 – \$4,387,267) and net working capital of \$3,274,591 (2018 – \$4,150,725), which should be sufficient amount to carry out the Company’s investment strategy.

OFF-BALANCE SHEET ARRANGEMENTS

As at October 31, 2019, and up to the date of this MD&A, the Company had no off-balance sheet arrangements.

TRANSACTIONS BETWEEN RELATED PARTIES

The Melco Investment are considered to be a related party transaction since a director and officer of the Company is the Chairman and CEO of Melco.

In June 2017, Melco disposed its entire interest in MelcoLot and the two common directors and officers of the Company and MelcoLot has resigned from the board of directors of MelcoLot on July 10, 2017. As such, MelcoLot ceased to be a related party of the Company as of July 10, 2017. Since then, the MelcoLot Investment is not considered to be related party transaction.

During the three months and six months ended October 31, 2019 and 2018, the Company incurred the following transactions to officers or directors of the Company or companies with common directors:

	Three months ended October 31,		Six months ended October 31,	
	2019	2018	2019	2018
	\$	\$	\$	\$
Directors’ fee	69,000	69,000	138,000	138,000
Salaries and wages	165,000	165,000	330,000	330,000
Dividend income	16,058	11,556	22,170	21,895
Total	250,058	245,556	490,170	489,895

Included in the accounts payable and accrued liabilities as of October 31, 2019 is \$78,000 (2018 – \$243,000) of Salaries and director fees payable to the Company’s directors and officers.

PROPOSED TRANSACTIONS

As at October 31, 2019, and up to the date of this MD&A, there were no proposed transactions of the Company.

CRITICAL ACCOUNTING ESTIMATES & CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

As at October 31, 2019, the Company was a “venture issuer” as that term is defined in National Instrument 51-102 *Continuous Disclosure Obligations*, and as such is not required to provide the information pertaining to the critical accounting estimates of the Company.

For a detailed summary of the Company's accounting policies, the reader is directed to Note 2 of the Notes to the unaudited interim financial statements and related notes thereto for the six months ended October 31, 2019 and 2018 and the audited financial statements of the Company for the financial year ended April 30, 2019, 2018 and 2017 available on SEDAR at www.sedar.com.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, other receivables, investments, accounts payable and accrued liabilities. The fair values of cash and cash equivalents, accounts payable and accrued liabilities approximate their carrying values due to the relatively short-term maturity of these instruments. It is management's opinion that the Company is exposed to market, foreign currency or concentration risks arising from investments.

RISKS AND UNCERTAINTIES

There are certain risks that will be associated with the securities of the Company due to the nature of its business and certain other factors. Shareholders should consider that the Company may not realize the anticipated benefits of the Transactions.

Shares of the Company will be a risky and speculative investment and are only suitable for those investors prepared to lose their entire investment.

The Company has no businesses or assets, other than cash and investments. The Company has no history of earnings and it has not paid any dividends and it is unlikely to pay any dividends in the immediate or foreseeable future. The Company's investments may be speculative.

Additionally, there are certain risks that the Company will face in its normal course of business, including:

Market Risk: the Company will be exposed to fluctuations in the market prices of its securities portfolio.

Risk of Limited Number of Investments: the Company intends to participate in a limited number of investments and, as a consequence, the aggregate return of the Company may be substantially adversely affected by the unfavourable performance of even a single investment.

Financing Risks: the Company may need to raise additional financing following completion of the Qualifying Transaction in order to pursue its business as an investment issuer and such financing may not be available to the Company on favourable terms or at all.

Currency Risk: the Company's investments in Melco and MelcoLot are denominated in Hong Kong dollars and entails risks that are not associated with a similar investment in a security denominated in Canadian dollars. Such risks include, without limitation, the possibility of significant changes in rates of exchange between the Canadian dollar and the Hong Kong

dollar.

Competition: the Company faces competition from other capital providers for investment opportunities.

Key Personnel: the Company's success will depend on its ability to attract and retain its key personnel.

Retention of Key Management: the Company has not entered into any agreements with its proposed directors or officers regarding their continued involvement with the Company. The inability of the Company to retain its directors or senior officers, as a result of volatility or lack of positive performance in the Company's stock price, may adversely affect the Company's ability to carry out its business.

Directors and Officers' Conflicts of Interest: the Company must rely substantially on the knowledge and expertise of its directors and officers in selecting investment opportunities. Certain of the directors and officers of the Company are engaged and will continue to be engaged in the search for investments for themselves, angel investment groups or organizations and on behalf of others. Additionally certain of the directors of the Company may become directors and/or officers of the target companies. Conflicts of interest may arise from time to time.

Dividends: Up to date, the Company has not paid any dividends on its outstanding shares. Any decision to pay dividends on the shares of the Company will be made by the Board on the basis of the Company's earnings, financial requirements and other conditions.

Dilution: the number of common shares the Company is authorized to issue is unlimited. The Company may, in its sole discretion, issue additional common shares from time to time, and the interests of the holders of shares may be diluted thereby.

Potential Volatility of Share Price: in recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market price of securities of many junior companies have experienced wide fluctuations in price. The market price of the shares may be volatile and could be subject to wide fluctuations due to a number of factors. Broad market fluctuations, as well as economic conditions generally and in the industries in which the Company will make its investment, may adversely affect the market price of the shares.

Status of Target Companies: the Company's investments in the target companies will expose the Company to the risks inherent with investing in the public market. The market price of target company securities may be volatile and could be subject to wide fluctuations due to a number of factors.

Minority Interest in Target Companies: the Company will for most of the time hold a minority interest in each of the target companies and will have a limited ability to influence management of the target companies with respect to: business and financial decisions; the issuance of additional securities; and the issue price for additional securities.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The required additional disclosure concerning the Company is contained in the unaudited interim financial statements and related notes thereto for the six months ended October 31, 2019 and 2018 and the audited financial statements and related notes thereto for the financial years ended April 30, 2019 and 2018, copies of which are available on SEDAR at www.sedar.com.

DISCLOSURE OF OUTSTANDING SHARE DATA

On February 7, 2013, the Company issued 3 common shares at a price of \$0.05 per share for total proceeds of \$0.15. During the year ended April 30, 2014, the Company issued 9,999,997 common shares at a price of \$0.05 per share for total proceeds of \$500,000 and 42,000,000 common shares at a price of \$0.10 per share for total proceeds of \$4,200,000.

On October 1, 2014, the Company issued 3,000,000 common shares at a price of \$0.10 per Share as an initial public offer (“IPO”) for aggregate gross proceeds to the Company of \$300,000. Canaccord Genuity Corp. acted as agent (the “Agent”) in respect of the IPO. The Company paid the Agent a cash commission equal to 10% of the gross proceeds, an administration fee of \$10,000 and reimbursed legal fees plus disbursements and taxes of \$16,000. In addition, the Company granted the Agent an aggregate of 300,000 non-transferable options. Each Agent’s Option entitles its holder to purchase one common share at a price of \$0.10 per common share for a period of 24 months from October 1, 2014. The Agent’s options were valued at \$21,750. The fair value of these options was \$0.07 per share where the exercise price is the same as the market price at the date of grant. As part of the IPO, the Company incurred share issuance costs of \$151,183, which included the fair value of the 300,000 Agent’s options.

During the year ended April 30, 2015, 14,000 Agent’s Options were exercised at \$0.10 per share for total proceeds of \$1,400. On September 28, 2016, 286,000 Agent’s Options were exercised at \$0.10 per share for total proceeds of \$28,600.

On March 10, 2017, the Company issued 3,700,000 common shares at a price of \$0.90 per share for gross proceeds of \$3,330,000 through a non-brokered private placement financing.

The following is a breakdown of the share capital of the Company, on an annual basis and the date of this report:

	December 18, 2019	April 30, 2019	April 30, 2018
Common shares	59,000,000	59,000,000	59,000,000
Stock Options	5,660,000	5,660,000	5,500,000
Fully Diluted Shares	64,660,000	64,660,000	64,500,000

For additional details of outstanding share capital, please refer to the audited financial statements for the year ended April 30, 2019.

ADDITIONAL INFORMATION

Additional information relating to the Company can also be found on SEDAR at www.sedar.com.