

**VINCERO CAPITAL CORP.**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**for the three months ended September 30, 2020**  
**(including any Significant Subsequent Events to November 6, 2020)**

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The following Management Discussion and Analysis (“MD&A”) of the results of operations and financial condition of Vincero Capital Corp. (“Vincero” or the “Company”) for the three months ended September 30, 2020 should be read in conjunction with Vincero’s condensed, consolidated unaudited interim financial statements and related notes for the three months ended September 30, 2020 and the audited financial statements and related notes for the year ended June 30, 2020 which were prepared in accordance with International Financial Reporting Standards (“IFRS”).

The Company’s management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the financial statements and this Management Discussion and Analysis is complete and reliable. The Company’s board of directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders.

The Vincero financial statements, MD&A and all other continuous disclosure documents are filed with Canadian securities regulators and are available for review under the Vincero Capital Corp. profile at [www.sedar.com](http://www.sedar.com).

**FORWARD-LOOKING STATEMENTS**

Except for statements of historical fact, certain information contained herein constitutes forward-looking statements. Forward-looking statements are usually identified by Vincero’s use of certain terminology, including “will”, “may”, “expects”, “should”, “anticipates” or “intends” or by discussions of strategy or intentions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause Vincero’s actual results or achievements to be materially different from any future results or achievements expressed or implied by such forward-looking statements.

Forward-looking statements are statements that are not historical facts and include but are not limited to: estimates and their underlying assumptions; statements regarding plans; objectives and expectations with respect to the effectiveness of Vincero’s business model; future operations; products and services; the impact of regulatory initiatives on Vincero operations; the size of and opportunities related to the market for Vincero’s products; general industry and macroeconomic growth rates; expectations related to possible joint or strategic ventures; and statements regarding future performance.

Forward-looking statements used in this MD&A are subject to various risks and uncertainties, most of which are difficult to predict and generally beyond the control of Vincero. If risks or uncertainties materialize, or if underlying assumptions prove incorrect, the actual results may vary materially from those expected, estimated or projected. Vincero undertakes no obligation to

update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Given these uncertainties, the reader of the information included herein is cautioned not to place undue reliance on such forward-looking statements.

### **DESCRIPTION OF BUSINESS**

Vincero was incorporated under the Business Corporations Act of British Columbia on May 6, 2019 as a Capital Pool Company. Its principal business is the identification and evaluation of assets, or a business, and once identified or evaluated, to negotiate the acquisition or participation in the assets or the business (the “Qualifying Transaction”).

### **OVERALL PERFORMANCE**

As of September 30, 2020, Vincero had no debt and had working capital in excess of its anticipated expenditures for fiscal 2021. Such expenditures are expected to include costs related to administrative overhead and due diligence costs related to securing a Qualifying Transaction. There is no certainty that these expenditures will result in locating a Qualifying Transaction and Vincero's continued operation will be dependent in part upon its ability to procure additional financing. To date, Vincero has done so through equity financing.

### **SELECTED FINANCIAL INFORMATION**

	<b>Three months ended September 30, 2020</b>	<b>Three months ended June 30, 2020</b>	<b>Three months ended March 31, 2020</b>	<b>Three months ended December 31, 2019</b>	<b>Three months ended September 30, 2019</b>	<b>Period ended June 30, 2019</b>
Revenues	Nil	Nil	Nil	Nil	Nil	Nil
Net Income (Loss)	(\$30,423)	(\$39,774)	(\$126,221)	\$9,080	(\$34,019)	(\$25,448)
Net Loss per Share - Basic and Diluted	(\$0.01)	(\$0.01)	(\$0.05)	\$0.00	(\$0.00)	(\$0.00)
Total Assets	\$786,953	\$813,894	\$822,025	\$485,922	\$470,770	\$494,552
Total Long-term Liabilities	Nil	Nil	Nil	Nil	Nil	Nil
Cash Dividends Declared per Share	Nil	Nil	Nil	Nil	Nil	Nil

## **RESULTS OF OPERATIONS**

Vincero has no history of earnings and will not generate earnings or pay dividends until at least after completion of a Qualifying Transaction. Until completion of a Qualifying Transaction, the Corporation is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions.

The Company's operating losses for the periods ended June 30, 2019, September 30, 2019, June 30, 2020 and September 30, 2020 are comprised of operating and administrative expenses. The Company's income for the period ended December 31, 2019 resulted from a reallocation of previously expensed share issue costs to deferred financing costs. The Company's loss for the three months ended March 31, 2020 is larger than previous periods as a result of a share-based payment of \$111,775 which arose from the granting of 1,500,000 stock options granted to directors and officers.

## **LIQUIDITY AND CAPITAL RESOURCES**

### (a) Working Capital

As of September 30, 2020, working capital totalled \$741,378 compared to \$771,801 as at June 30, 2020.

### (b) Private Placement

On May 31, 2019 the Company completed a common share issue whereby it issued 9,999,999 common shares at a price of \$0.05 per share for gross proceeds of \$499,999.95.

These issued common shares and the one (1) previously issued common share, being 10,000,000 common shares, are subject to escrow conditions. Under the Escrow Agreement, 10% of the escrowed common shares will be released from escrow on acceptance by the TSX Venture Exchange (the "TSX-V") of the Company's Qualifying Transaction and thereafter, an additional 15% every six months for thirty-six months.

### (c) Initial Public Offering

On February 7, 2020, the Company completed its Initial Public Offering ("IPO") by way of a Prospectus through its agent, PI Financial Corp. (the "Agent"). The Company issued 5,000,000 common shares at \$0.10 per share, for aggregate proceeds of \$500,000 (the "Offering"). The Agent was paid a \$50,000 commission, a \$10,000 finance fee, \$13,142 to cover its legal and other expenses related to the Offering and was issued 500,000 compensation options. Each option entitles the Agent to purchase one common share at an exercise price of \$0.10 per share until February 7, 2022.

In addition, filing fees of \$15,000 and legal fees and other expenses of \$35,450 were paid related to the Offering. The total share issue costs were recorded as a reduction of share capital.

In conjunction with the completion of the IPO the Company granted stock options to its Officers and Directors to purchase up to 1,500,000 common shares at a price of \$0.10 per share for a period of five (5) years expiring on February 7, 2025. If any options are exercised before a Qualifying Transaction has been completed, the Optionee must agree in writing that the shares acquired be held in escrow until the issuance of a Final Exchange Bulletin confirming the completion of a Qualifying Transaction.

### **OFF-BALANCE SHEET ARRANGEMENTS**

Vincero does not utilize off-balance sheet arrangements.

### **TRANSACTIONS WITH RELATED PARTIES**

During the three months ended September 30, 2020, the Company incurred charges for rent and office services totalling \$10,469 with Alfredo De Lucrezia, Vincero's Chief Executive Officer, President and Director, compared to \$8,474 during the same period ended September 30, 2019

### **RISKS AND UNCERTAINTIES**

Vincero's continued operation is dependent in part upon its ability to secure a Qualifying Transaction and to generate operating revenues and to procure additional financing. To date, the Company has done so through equity financing.

The Company has no active business or assets other than cash. It does not have a history of earnings, nor has it paid any dividends and will not generate earnings or pay dividends until at least after the completion of a Qualifying Transaction.

The directors and officers of the Company will only devote a small portion of their time to the business and affairs of the Company 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.

The Company has only limited funds with which to identify and evaluate possible Qualifying Transactions and there can be no assurance that the Company will be able to identify a suitable Qualifying Transaction. Even if a proposed Qualifying Transaction is identified, there can be no assurance that the Company will be able to successfully complete the transaction.

Additional information on risks and uncertainties can be found in the Company's Prospectus filed at [www.sedar.com](http://www.sedar.com).

### **INVESTOR RELATIONS**

Until completion of a Qualifying Transaction, neither the Company nor any party on behalf of the Company will engage the services of any person to provide investor relation activities or market making services.

## **SHARE CAPITAL INFORMATION**

### **Shares**

The authorized share capital of Vincero consists of an unlimited number of common shares without par value. As of November 6, 2020, there were 15,000,000 Vincero common shares issued and outstanding.

### **Stock Options**

As of November 6, 2020 Vincero had options to acquire 2,000,000 common share of its capital stock as follows:

<b>Number of Options Outstanding</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
500,000	\$0.10	February 7, 2022
1,500,000	\$0.10	February 7, 2025

### **Warrants**

As of November 6, 2020, Vincero had no outstanding warrants to acquire common shares.

## **BUSINESS COMBINATION AGREEMENT**

On August 28, 2020 Vincero entered into a definitive agreement (the “Business Combination Agreement”) with NewGen Therapeutics, Inc. (“NewGen”), pursuant to which Vincero will acquire certain worldwide rights (excluding China) to the PARP Inhibitor Program Technology (the “Significant Assets”) to complete Vincero’s Qualifying Transaction (the “Transaction”) in accordance with the policies of the TSX Venture Exchange (the “Exchange”). The Business Combination Agreement replaces the letter of intent between Vincero and NewGen with respect to the Transaction.

The Transaction will constitute Vincero’s “Qualifying Transaction” as defined under Exchange Policy 2.4. The Transaction will be carried out by parties dealing at arm’s length to one another and therefore will not be considered to be a “Non-Arm’s Length Qualifying Transaction”, as such term is defined under the policies of the Exchange. As a result, a formal meeting of Vincero’s shareholders to approve the Transaction will not be required, although receipt of Exchange acceptance will be a condition of closing.

Pursuant to the Business Combination Agreement, Vincero has formed a subsidiary (the “Vincero Subco”), and NewGen has formed a subsidiary (“Subco”). NewGen will then transfer the Significant Assets to Subco. Thereafter, Subco and Vincero Subco will amalgamate (the “Amalgamation”) (“AmalCo”), with AmalCo to become a wholly-owned subsidiary of Vincero.

In connection with the Transaction, the parties intend to carry out certain concurrent transactions including the Private Placement (as described below). The concurrent closing of the Transaction and the Private Placement (collectively, the “Closing”) is presently targeted to occur on or before December 28, 2020. On Closing, the resulting entity (the “Resulting Issuer”) shall change senior management and directors, and will change its name to complement the business of the Resulting Issuer.

Subject to Exchange acceptance, the completion of the Private Placement (as described below), and the satisfaction of other conditions contained in the Business Combination Agreement, the Resulting Issuer will issue on Closing 30,000,000 common shares to NewGen at a deemed price of \$0.20 per share.

Pursuant to the Business Combination Agreement, prior to the Amalgamation, Subco intends to complete a private placement (the “Private Placement”) of approximately 12,500,000 subscription receipts (each a “Subscription Receipt”) at a price of \$0.20 per Subscription Receipt (or such other price as may be agreed to by Vincero and NewGen), for aggregate gross proceeds of up to \$2,500,000. Each Subscription Receipt will entitle the holder thereof to receive, upon satisfaction of certain escrow release conditions on or before the escrow release deadline, and without payment of additional consideration, one unit in the capital of Subco (each a “Unit”). Each Unit will consist of one Subco Share and one-half (1/2) of a share purchase warrant, with each whole warrant to entitle the holder thereof to purchase one Subco Share at an exercise price of \$0.40 per Subco Share for a period of 24 months following the Closing (or such other period of time as may be agreed to by Vincero and NewGen).

As a result of the Amalgamation:

- (a) the holders of Subco Shares shall become holders of Vincero Shares;
- (b) the holders of Subco warrants shall become holders of Vincero warrants; and
- (c) Vincero shall become the holder of all of the issued and outstanding AmalCo shares.

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#### CORPORATE INFORMATION

Alfredo De Lucrezia, North Vancouver, B.C.	Chief Executive Officer, President and Director
Maurizio Grande, Vancouver, B.C.	Vice-President and Director
John L. Pallot, New Westminster, B.C.	Independent Director
Gordon R. Kettleon, Tsawwassen, B.C.	Independent Director
Benito J. Colagelo, Vancouver, B.C.	Secretary
Michelle A. Cross, Maple Ridge, B.C.	Chief Financial Officer and Director

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