

DEAL PRO CAPITAL CORPORATION  
MANAGEMENT DISCUSSION & ANALYSIS  
for the period ended September 30, 2021

The following management's discussion and analysis ("**MD&A**") should be read in conjunction with the Corporation's financial statements and notes thereto for the period ended June 30, 2021 (the "financial statements"). This MD&A was prepared by management of Deal Pro Capital Corporation (the "**Corporation**"), and was approved by the Board of Directors on November 12, 2021. Additional information relating to the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com).

## **BASIS OF PRESENTATION**

This MD&A and the financial statements have been prepared in Canadian dollars, unless otherwise indicated, and in accordance with International Financial Reporting Standards ("**IFRS**").

## **FORWARD-LOOKING INFORMATION**

Certain statements contained in this document constitute "forward-looking information". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", used by any of the Corporation's management, are intended to identify forward-looking information. Such statements reflect the Corporation's forecasts, estimates and expectations, as they relate to the Corporation's current views based on their experience and expertise with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Corporation's actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward- looking statements. The Corporation does not intend, and does not assume any obligation, to update any such factors or to publicly announce the result of any revisions to any of the forward-looking statements contained herein to reflect future results, events or developments unless required by law.

## **OVERALL PERFORMANCE**

## **BUSINESS OF THE CORPORATION**

The Corporation was incorporated pursuant to the provisions of the *Business Corporations Act* (Ontario) on June 11, 2021. On June 11, 2021, the Corporation issued 1 common share at a price of \$0.05 and on June 25, 2021, the directors and officers of the Corporation subscribed for 5,700,000 common shares at a price of \$0.05 per common share for gross proceeds of \$285,000. The principal business of the Corporation is to identify and evaluate assets or businesses with a view to potentially acquire them. The purpose of such an acquisition is to satisfy the related conditions of a "Qualifying Transaction" under the TSX Venture Exchange (the "**Exchange**") rules.

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### SELECTED ANNUAL FINANCIAL HIGHLIGHTS

The financial results of the Corporation for the financial period ended June 30, 2021 are summarized as follows:

<b>For the period from June 11, 2021 to June 30, 2021 (in Canadian \$ thousands except for per share amounts)</b>	
Total Revenue	\$ -
Operating Expenses	25,484
Net Income (Loss)	(25,484)
Earnings (Loss) per Share-Basic	\$ -
Earnings (Loss) per Share-Diluted	\$ -
Weighted average shares outstanding	1,500,000
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Total Assets	\$306,951
Total Short Term Liabilities	\$ 21,951
Shares outstanding – all shares	5,700,001
Shares outstanding – non-escrowed shares	n/a

### SELECTED QUARTERLY FINANCIAL HIGHLIGHTS

The quarterly financial results of the Corporation for the quarterly periods from June 11, 2021 to September 30, 2021 are summarized as follows:

Three Months Period Ended	Cash	Current Liabilities	Net Loss	Loss Per Share	Weighted Average Shares Outstanding *
September 30, 2021	\$ 277,231	\$ 59,423	\$ (11,442)	\$ -	n/a
June 30, 2021	285,000	21,951	(25,484)	-	n/a

\* excludes 5,700,001 escrowed shares

### DISCUSSION OF OPERATIONS

#### Three months ended September 30, 2021

During the three-month period ended September 30, 2021, the Corporation had a net loss of \$11,442 related mostly to public company reporting costs and professional fees related to public disclosures.

#### Period to date ended September 30, 2021

During the period from June 11, 2021 to September 30, 2021, the Corporation had a net loss of \$36,926. Most of the cash costs related to public company reporting costs and professional fees related to public disclosures. The \$25,484 share-based compensation expense in the period related to the issuance of 570,000 stock options at a price of \$0.05 per option.

The Corporation was in the process of applying to be classified as a "Capital Pool Corporation" as defined in Policy 2.4 of the Exchange. Currently the only assets of the Corporation are cash and deferred financing fees.

After it is classified as a Capital Pool Company, the Corporation will incur expenses as it identifies and evaluates potential companies, assets or business for a Qualifying Transaction.

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## DISCLOSURE OF OUTSTANDING SHARE DATA

On October 22, 2021, the Corporation issued a further 2,507,000 common shares at a price of \$0.10 (the "**Offering**"), through its initial public offering, bringing the total number of issued and outstanding common shares of the Corporation from 5,700,001 to 8,207,001 common shares (see below). In addition, 250,700 agent's warrants were issued, which entitle the holder to acquire one common share in the Corporation at a price of \$0.10 for a period of two years from the date the Corporations shares were listed on the TSX Venture Exchange.

The Corporation issued 570,000 stock options in the period ended September 30, 2021. On October 22, 2021, the Corporation issued a further 250,700 stock options to directors of the Corporation. Each option is exercisable into one common share of the Corporation at a price of \$0.10 any time prior to October 22, 2031, subject to the terms of the Stock Option Plan.

	November 15, 2021	September 30, 2021
Common shares issued and outstanding	8,207,001	5,700,001
Stock options issued and outstanding	820,700	570,000
Warrants issued and outstanding	250,700	-
Fully diluted common shares issued and outstanding	9,278,401	6,270,001

## LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2021, the Corporation had cash of \$277,231 and net working capital of \$273,558. The Corporation had amounts payable of \$59,423 at September 30, 2021.

Deferred financing fees in the amount of \$55,750 were included in accounts payable as they have not yet been paid.

## OFF-BALANCE SHEET ARRANGEMENTS

As at September 30, 2021, and up to the date of this MD&A, the Corporation had no off-balance sheet arrangements.

## TRANSACTIONS BETWEEN RELATED PARTIES

During the period ended September 30, 2021, there were no related party transactions, except the subscriptions for common shares of the Corporation by directors and officers, and the issue of stock options on June 25, 2021.

## PROPOSED TRANSACTIONS

As at September 30, 2021, and up to the date of this MD&A, there were no proposed transactions of the Corporation, other than as disclosed herein.

## CRITICAL ACCOUNTING ESTIMATES & CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

As at September 30, 2021, the Corporation was in the application process to operate as a "Capital Pool Company" with cash and limited other assets, until the completion of a Qualifying Transaction. Critical accounting estimates are explained in Note 3 of the financial statements.

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Notes to the financial statements of the Corporation for the period ended September 30, 2021 are available on SEDAR at [www.sedar.com](http://www.sedar.com).

## **FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS**

The Corporation's financial instruments consist of cash and cash equivalents, deferred financing costs, accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying values, unless otherwise noted. Unless otherwise noted, it is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from financial instruments.

## **RISKS AND UNCERTAINTIES**

The Corporation is in the application process to operate as a Capital Pool Corporation as that term is defined in Policy 2.4 of the Exchange. Upon completion of the Offering, the Corporation will actively work to identify assets or businesses in order to complete a Qualifying Transaction. During this time, the Corporation will have no source of recurring income.

A comprehensive discussion of risk factors can be found in the "Risk Factors" section of the Initial Public Offering Prospectus, dated August 27, 2021. The document can be accessed on [www.sedar.com](http://www.sedar.com).

Although management of the Corporation will be working to identify a Qualifying Transaction once the Corporation is listed, there is no assurance that a Qualifying Transaction will be entered into or be completed within the specified time, or at all. Nor can there be an assurance that the Corporation will be able to obtain additional financing in the future on terms acceptable to the Corporation or at all.

The Corporation is relying solely on the past business success of its directors and officers to identify a Qualifying Transaction of merit. The success of the Corporation is dependent upon the efforts and abilities of its management team. The loss of any member of the management team could have a material adverse effect upon the business and prospects of the Corporation. In such event, the Corporation will seek satisfactory replacements but there can be no guarantee that appropriate personnel may be found.

Completion of the 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 minority approval.

On behalf of the Board of Directors,

Harold Wolkin  
Chief Executive Officer and Chief Financial Officer  
Toronto, Ontario  
November 15, 2021