

Benz Capital Corp.

(A capital pool company)

Management Discussion and Analysis

Quarterly Report – September 30, 2021

The following management’s discussion and analysis of financial conditions and results of operations (the “MD&A”) has been prepared by management and provides a review of the activities, results of operations and financial condition of Benz Capital Corp. (the “Company” or “Benz Capital”). This discussion dated November 29, 2021, complements and supplements the Company’s unaudited condensed interim financial statements and associated notes for the three and six months ended September 30, 2021, and should be read in conjunction with the audited annual financial statements for the year ended March 31, 2021. Please also refer to the cautionary statement of forward-looking information at the end of this document.

All financial information in this MD&A is prepared in accordance with International Financial Reporting Standards (“IFRS”) and reported in Canadian dollars unless otherwise noted. Additional information about the Company is available under the Company’s profile on SEDAR at www.sedar.com.

1. COMPANY OVERVIEW

Benz Capital was incorporated under the laws of the Province of British Columbia on February 8, 2021. The Corporation has applied for status as a Capital Pool Company (“CPC”) as defined by the TSX Venture Exchange (the “Exchange”) Policy 2.4. The activities of the Company are initially limited to the efforts to identify and evaluate the acquisition of assets and business, which would represent a “Qualifying Transaction” for regulatory purpose. The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company.

2. INITIAL PUBLIC OFFERING

On October 4, 2021, the Company completed an initial public offering (“IPO”) of 3,444,000 common shares of the Company (the “Common Shares”) at a price of \$0.10 per Common Share for gross proceeds of \$344,400 and is now listed on the TSX Venture Exchange (the “Exchange”). The Common Shares were listed on the Exchange at the market open on October 4, 2021.

The net proceeds of the offering, together with the proceeds from prior sales, will be used by the Corporation to identify and evaluate assets or businesses for acquisition with a view to completing a “Qualifying Transaction” under the Exchange’s capital pool company program (“CPC”).

In connection with the IPO, the Company paid the agent a cash commission of 10% of gross proceeds raised in the IPO and an administration fee. In addition, the Corporation granted to the agent non-transferable options to acquire up to an aggregate of 344,400 Common Shares (the “Agent’s Options”). Each Agent’s Option is exercisable to acquire one Common Share at an exercise price of \$0.10 for a period of 2 years following the date of completing a qualifying transaction in accordance with Exchange policies.

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3. RESULTS OF OPERATIONS

Overall Performance

During the three and six months ended September 30, 2021, the Corporation operated as a Capital Pool Company.

4. REVIEW OF FINANCIAL RESULTS

Summary of Quarterly Results

	September 30, 2021	June 30, 2021	March 31, 2021
Net loss	\$28,007	\$8,255	\$5,999
Basic and diluted loss per share	\$0.01	-	-

*Company was incorporated on February 8, 2021. First reported financial statements were on March 31, 2021

During the three months ended September 30, 2021, the Company had a net loss of \$28,007 compared to a net loss of \$8,255 for the three months ended June 30, 2021. The loss resulted from increased general operations as the Company commenced its search for a qualifying transaction, including:

- Increase in exploration and evaluation costs of 3,774
- Decrease in management and consulting fees of \$4,750
- Increase in marketing and travel costs of \$16,532
- Increase in office and miscellaneous costs of \$4,374

5. LIQUIDITY AND CAPITAL RESOURCES

As a CPC, the Company's principal business is the identification, evaluation and acquisition of assets, properties or businesses or participation therein subject to, in certain cases, shareholder approval and acceptance by the Exchange. Where an acquisition or participation (the "Qualifying Transaction") is warranted, additional funding may be required. The ability of the Company to fund its potential future operations and commitments is dependent upon the ability of the Company to obtain additional financing. Under the CPC policies of the Exchange, the Company must identify and complete a Qualifying Transaction within 24 months from the date the Company's shares are listed for trading on the Exchange. There is no assurance that the Company will be able to complete a Qualifying Transaction within 24 months of being listed or that it will be able to secure the necessary financing to complete a Qualifying Transaction. The Exchange may suspend or de-list the Company's shares from trading should it not meet these requirements.

Where an acquisition or participation is warranted, additional funding may be required. The ability of the Company to fund its potential future operations and commitments is dependent upon its ability to obtain additional financing. Such an acquisition will be subject to regulatory approval and, if required, shareholder approval.

As at September 30, 2021 the Company had a cash balance of \$267,673, and working capital of \$252,739.

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Investing Activities

During the six months ended September 30, 2021, there were no investing activities.

Financing Activities

During the six months ended September 30, 2021, the Company received \$5,000 through the issuance of 100,000 shares.

Off-Balance Sheet Arrangements

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

Related Party Transactions

During the six months ended September 30, 2021, the Company did not have any related party transactions.

Proposed Transactions

There are no proposed transactions.

Commitments

The Company did not have any commitments as at September 30, 2021 or as of the date of this report.

Changes in Accounting Policies

There are no changes in accounting policies

Financial Instruments

The Company's financial instruments consist of cash and cash equivalents. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximates their carrying value, unless otherwise noted.

Additional Disclosure for Venture Issuers without Significant Revenue

Detail regarding material items within general and administrative expenses has been provided throughout this document.

Outstanding Share Data

Common Shares:

Authorized share capital consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value. A total of 4,700,000 common shares were outstanding at September 30, 2021. Of these shares, 3,500,000 are subject to an escrow agreement in accordance with the Exchange Policy 2.4. The shares will be released as follows: 25% upon the issuance of notice of final acceptance of a Qualifying Transaction by the TSX Venture Exchange, and the remainder in three equal tranches of 25% every six months thereafter for a period of 18 months.

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Stock Options:

As at September 30, 2021, the Company did not have any outstanding stock options.

Subsequent Events:

- (a) On October 4, 2021, the Company granted an aggregate of 140,000 to a technical consultant of the Company, at an exercise price of \$0.10 per Common share for a period of 3 years from the date of issuance.
- (b) On October 6, 2021, the Company granted an aggregate of 674,000 stock options to certain of its directors, officers and consultants, at an exercise price of \$0.10 per Common share for a period of 3 years from the date of issuance.
- (c) On November 2, 2021, the Company issued 1,000,000 common shares at a price of \$0.10 per common share for gross proceeds of \$100,000 pursuant to a non-brokered private placement (the "Offering"). All of the common shares issued pursuant to the Offering are subject to a four-month hold period expiring March 2, 2022.

6. RISKS AND UNCERTAINTIES

An investment in our Company involves a number of risks. You should carefully consider the following risks and uncertainties in addition to other information in this interim report in evaluating our Company and our business before making any investment decision in regards to the common shares of our Company. Our business, operating and financial condition could be harmed due to any of the following risks. The risks described below are not the only ones facing our Company. Additional risks not presently known to us may also impair our business operations.

- (a) The Company 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 the Qualifying Transaction;
- (b) until Completion of a Qualifying Transaction, the Company is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions;
- (c) the Company has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Company will be able to identify a suitable Qualifying Transaction;
- (d) even if a proposed Qualifying Transaction is identified, there can be no assurance that the Company will be able to successfully complete the transaction;
- (e) 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 the Minority Approval;

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Financing Risks

Our Company is limited in financial resources, and has no assurance that additional funding will be available to us. There can be no assurance that we will be able to obtain adequate financing in the future or that the terms of such financing will be favourable.

Markets for Securities

There can be no assurance that an active trading market in our securities will be established and sustained. The market price for our securities could be subject to wide fluctuations. Factors such as commodity prices, government regulation, interest rates, share price movements of our peer companies and competitors, as well as overall market movements, may have a significant impact on the market price of the securities of our Company.

Reliance on Key Individuals

Our success depends to a certain degree upon certain key members of the management. It is expected that these individuals will be a significant factor in our growth and success. The loss of the service of members of the management and certain key employees could have a material adverse effect on our Company.

7. INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations and may not prevent or detect misstatements. Therefore, even those systems determined to be effective can only provide reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies and procedures may deteriorate.

8. CRITICAL JUDGEMENTS AND ESTIMATES

The consolidated financial statements are prepared in accordance with IFRS. The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

The critical judgment that the Company's management has made in the process of applying the Company's accounting policies that has the most significant effect on the amounts recognized in the Company's financial statements is related to the assumption that the Company will continue as a going concern.

For a summary of significant accounting policies, please refer to Note 2 of the interim financial statements. Management believes it has made estimates that best reflect the facts and circumstances, however, actual results may differ from estimates.

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9. FORWARD LOOKING INFORMATION

Certain statements contained in this MD&A constitute forward-looking information within the meaning of securities laws. Forward-looking information may relate to our future outlook and anticipated events or results and may include statements regarding the future financial position, business strategy, budgets, litigation, projected costs, capital expenditures, financial results, taxes and plans and objectives of or involving the Company. Particularly, statements regarding our future operating results and economic performance are forward-looking statements. In some cases, forward-looking information can be identified by terms such as “may”, “will”, “should”, “expect”, “plan”, “anticipate”, “believe”, “intend”, “estimate”, “predict”, “potential”, “continue” or other similar expressions concerning matters that are not historical facts. Examples of such statements include the Company’s intention to complete a “Qualifying Transaction” (as defined by policy 2.4 (the “CPC Policy”) of TSX Venture Exchange Inc. (the “Exchange”)). Forward-looking information is subject to certain factors, including risks and uncertainties, which could cause actual results to differ materially from what we currently expect. These factors include the ability of the Company to obtain necessary financing and complete a Qualifying Transaction. Forward-looking information contained in this MD&A is based on our current estimates, expectations and projections, which we believe are reasonable as of the current date. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information, except as required by law.