

PONDEROUS PANDA CAPITAL CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE NINE MONTHS ENDED
SEPTEMBER 30, 2020

Introduction

The following Management's Discussion and Analysis ("MD&A") is dated November 30, 2020 (the "MD&A Date") and should be read in conjunction with the audited annual financial statements of Ponderous Panda Capital Corp. ("Ponderous Panda" or the "Company") for the year ended December 31, 2019 and the unaudited interim financial statements for the three and nine months ended September 30, 2020. Ponderous Panda prepares its financial statements in accordance with International Financial Reporting Standards ("IFRS"). The financial statements are presented in Canadian dollars, which is the functional currency of the Company.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of Ponderous Panda common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) if it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations can be obtained from www.sedar.com.

Cautionary Note Regarding Forward-Looking Information

Certain statements contained in the following MD&A constitute forward-looking statements. Such forward looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements.

Description of Business

The Company was incorporated by Certificate of Incorporation issued pursuant to the provisions of the British Columbia Business Corporations Act on March 22, 2017. The Company completed an initial public offering ("IPO") of its common shares on April 27, 2018, and on May 2, 2018, its common shares began trading on the TSX Venture Exchange ("TSX-V" or the "Exchange"), under the symbol "PPCC.P". The Company is classified as a Capital Pool Company ("CPC"), as defined in the Exchange Policy 2.4. The Company's head office and registered records office address is Suite 480, 1500 West Georgia Street, Vancouver, British Columbia, Canada, V6G 2Z6.

The principal business of the Company is the identification and evaluation of material assets or businesses with a view to completing a transaction where the Company acquires significant assets, other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means. The Company's continuing operations are dependent upon its ability to identify and evaluate assets or businesses with a view to potential acquisition or participation by completing a Qualifying Transaction, as defined in Exchange Policy 2.4, within 24 months of listing on the TSX-V. Any acquisition or investment proposed by the Company will be subject to regulatory approval. The Company's common shares were halted from trading on April 28, 2020, for failure to complete a Qualifying Transaction within

24 months of listing. The Company continues its efforts to locate a Qualifying Transaction and is working to restore its Exchange listing.

PROPOSED TRANSACTION

On August 19 2020, the Company announced that it has entered into a letter of intent dated July 29, 2020 (the "LOI") for the acquisition (the "Proposed Transaction") of IMD Health Global Corp. ("IMD"), a private company existing under the laws of Ontario. Upon completion of the Proposed Transaction, the business of IMD would become the business of the Company.

Termination of the Proposed Transaction

On September 17, 2020, IMD terminated the LOI and paid the Company the break fee of \$75,000 in November 2020.

OVERALL PERFORMANCE

	Nine months ended September 30, 2020 \$	Nine months ended September 30, 2019 \$
Income (Loss) and comprehensive income (loss)	23,663	(39,583)
Basic and diluted earnings (loss) per common share	0.01	(0.01)
Cash (used in) from operating activities	(46,558)	(50,313)
Total assets	526,525	503,817

Three months ended September 30, 2020 ("2020 Q3") vs September 30, 2019 ("2019 Q3")

Income (Loss) and comprehensive income (loss) for 2020 Q3 was \$44,757 compared to a loss and comprehensive loss of \$5,343 for 2019 Q3. The increase in income is due to the break fee of \$75,000 earned upon the termination of the Proposed Transaction in 2020 Q3.

Nine months ended September 30, 2020 ("2020 Q3 YTD") vs September 30, 2019 ("2019 Q3 YTD")

Income (Loss) and comprehensive income (loss) YTD was \$23,663 compared to a loss and comprehensive loss of \$39,583 for 2019 Q3 YTD. The increase in income is due to the break fee of \$75,000 earned upon the termination of the Proposed Transaction in 2020 Q3. The magnitude of this increase has been partially reduced by the increase in professional and regulatory fees incurred in 2020 Q3 related to the terminated Proposed Transaction.

Cash used in operating activities for the nine months ended September 30, 2020, was \$46,558 as a result of the cash-based expenditures primarily comprising the payment of year-end 2019 audit fee, the payments to the Company's transfer agent for the fee rendered during the period, and the professional fees paid to the law firm owned by a related party. During the nine months ended September 30, 2019, the Company incurred less cash-based expenditures and deferred payments on accounts payable and accrued liabilities to future periods thereby using less cash in operating activities during the 2019 period.

As at September 30, 2020, the Company had total assets of \$526,525 comprised exclusively of cash and receivable related to the break fees of the terminated Proposed Transaction, compared to \$503,817 as at September 30, 2019 comprised also of cash. The increase is attributable to the break fee of \$75,000 receivable and offset by the cash expenditures of day-to-day operations of the Company and the use of cash to meet liabilities as they come due.

DISCUSSION OF OPERATIONS

The primary components of expenses for the nine months ended September 30, 2020 and 2019 were as follows:

	Nine Months ended September 30, 2020	Nine Months ended September 30, 2019
	\$	\$
Filing fees	5,460	8,376
Professional fees	34,641	26,832
Regulatory fees	10,304	3,221

The Company was engaged in the Proposed Transaction described in earlier section in the 2020 Q3 YTD and therefore incurred higher expenses in 2020 Q3 YTD than 2019 Q3 YTD.

LIQUIDITY AND CAPITAL RESOURCES

Liquidity

The Company utilizes existing cash and the issuance of equity instruments to provide liquidity to the Company. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

The following table summarizes cash flows of the Company:

	Nine months ended September 30, 2020	Nine months ended September 30, 2019
	\$	\$
Cash, beginning of period	498,083	549,090
Cash flows from (used in) operating activities	(46,558)	(50,313)
Cash flows from financing activities	-	-
Cash flows from investing activities	-	-
Cash, end of period	451,525	498,777

The cash outflow used in operating activities during the nine months ended September 30, 2019, was explained in the earlier section for regular operating expenses. Working capital increased to \$497,810 as at September 30, 2020, from a working capital of \$474,147 as at December 31, 2019. The increase is attributable to the increase in accounts receivable.

Capital Resources

Capital is comprised of the Company's shareholders' equity. As at September 30, 2020, shareholders' equity was \$497,810 and there was no long term debt outstanding. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital. There were no changes to the Company's capital management approach during the nine months ended September 30, 2020.

The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that no more than the lesser of 30% of the gross proceeds from the issuance of common shares or \$210,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under the Exchange Policy 2.4. The Company currently is not subject to other externally imposed capital requirements.

FINANCIAL INSTRUMENTS

The Company's financial instruments with respect to fair value, and financial risk management are disclosed in Note 7 of the financial statements.

SUMMARY OF QUARTERLY RESULTS

	Sept. 30, 2020	June 30, 2020	Mar. 31, 2020	Dec. 31, 2019
Revenue	\$ -	\$ -	\$ -	\$ -
Income (Loss) and comprehensive income (loss)	\$ 44,757	\$ 8,519	\$ 12,575	\$ 17,512
Basic and diluted earnings (loss) per share	\$ 0.02	\$ (0.01)	\$ (0.01)	\$ (0.01)
Total assets	\$ 526,525	\$ 456,034	\$ 489,711	\$ 498,083

	Sept. 30, 2019	June 30, 2019	Mar. 31, 2019	Dec. 31, 2018
Revenue	\$ -	\$ -	\$ -	\$ -
Loss and comprehensive loss	\$ 5,342	\$ 23,034	\$ 11,207	\$ 38,938
Basic and diluted loss per share	\$ -	\$ (0.01)	\$ (0.01)	\$ (0.03)
Total assets	\$ 503,817	\$ 502,771	\$ 549,368	\$ 549,192

For the quarter ended September 30, 2020, the Proposed Transaction previously announced on August 19, 2020 was terminated. As a result, \$75,000 break fee income has been accrued for the quarter.

For the quarter ended June 30, 2020, the Company continued to search for a new Qualifying Transaction where the activity level remained at a minimum level.

For the quarter ended March 31, 2020, the Company's Proposed Transaction stalled and was cancelled. The Company was therefore minimally active as it began its search for a new Qualifying Transaction.

For the quarter ended December 31, 2019, professional fees increased as the Company conducted more detailed due diligence on the Proposed Transaction and accrued fees in relation to its audit. See "Proposed Transaction" below for further details.

For the quarter ended September 30, 2019 the Company identified a Qualifying Transaction target and commenced some limited work on the Proposed Transaction in July and August 2019 in relation to the evaluation of the target and due diligence work.

For the quarter ended June 30, 2019 the Company was minimally active as it was searching for a new Qualifying Transaction. During the quarter, the Company incurred fees associated with its 2018 audit, and fees associated with rent, and some minimal legal fees and transfer agent fees.

For the quarter ended March 31, 2019 the Company was minimally active as it was searching for a new Qualifying Transaction. The Company only incurred fees associated with rent and some minimal legal fees and transfer agent fees.

For the quarter ended December 31, 2018 the Company was minimally active as the Company's former proposed transaction with Trait Biosciences Inc. ("Trait") was terminated. The Company only incurred fees associated with rent and some minimal legal fees and transfer agent fees. The fair value of stock options granted to the officers and the directors of the company was re-evaluated in this period resulting in an increase to share based compensation from \$38,000 to \$71,000.

OFF-BALANCE SHEET ARRANGEMENTS

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

RISK FACTORS

Investing in the common shares of the Company involves risk. Prospective investors should carefully consider the risks described below, together with all of the other information included in this MD&A before making an investment decision. If any of the following risks actually occurs, the business, financial condition or results of operations of the Company could be harmed. In such an event, the trading price of the common shares could decline and prospective investors may lose part or all of their investment.

Global Pandemic (COVID-19)

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

No Operating History

The Company has not commenced commercial operations, and has no assets other than cash. The Company has neither a history of earnings nor has it paid any dividends and it is unlikely to produce earnings or pay dividends in the immediate or foreseeable future. The Company has only limited funds with which to identify and evaluate potential acquisitions of a material asset or a business and there can be no assurance that the Company will be able to do so. Even if a Proposed Transaction is identified, there can be no assurance that the Company will be able to successfully complete the transaction.

Possible Trading Suspension or Delisting

Suspension from trading of the common shares may, and delisting of the common shares will, result in the regulatory securities authorities issuing an interim cease trade order against the Company. In addition, delisting of the common shares will result in the cancellation of all of the currently issued and outstanding common shares of the Company held by Insiders. Trading in the common shares of the Company may be halted at other times for other reasons, including for failure by the Company to submit documents to the Exchange in the time periods required. The Company was halted on April 28, 2020 for failure to complete a Qualifying Transaction within 24 months of listing and is awaiting further information from the TSX-V regarding the same.

Halt of Trading

Upon public announcement of a potential Proposed Transaction, trading in the common shares of the Company will be halted and will remain halted until Completion of the Proposed Transaction, or sooner pursuant to Policy 2.4. Neither the Exchange nor any securities regulatory authority passes upon the merits of the potential Proposed Transaction.

Exchange May Not Approve a Qualifying Transaction

Completion of a Proposed 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 as such terms are defined in Policy 2.4.

Notwithstanding that a transaction may meet the definition of a Proposed Transaction; the Exchange may not approve a Proposed Transaction:

- (a) if the Company fails to meet the initial listing requirements prescribed by Policy 2.1 – Initial Listing Requirements of the Exchange upon Completion of the Proposed Transaction;
- (b) if, following Completion of the Qualifying Transaction, the Company will be a finance company or a mutual fund as defined under applicable securities laws;
- (c) the consideration proposed to be paid by the Company in connection with the Proposed Transaction is not acceptable to the Exchange; or
- (d) for any other reason at the sole discretion of the Exchange.

Approval by the Majority of the Minority

Where Majority of the Minority Approval is required, unless the shareholder has the right to dissent and be paid fair value in accordance with the applicable corporate or other law, a shareholder who votes against a proposed Non-Arm's Length Proposed 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 Company of fair value for the common shares.

Dilution

If the Company issues treasury shares to finance acquisition or participation opportunities, control of the Company may change and subscribers may suffer dilution of their investment.

Directors and Officers

The directors and officers of the Company will not be devoting all of their time to the affairs of the Company but will be devoting such time as required to effectively manage the Company. Some of the directors and officers of the Company are engaged and will continue to be engaged in the search for assets or businesses on their own behalf or on behalf of others such that conflicts may arise from time to time. As a consequence of such conflicts, the Company may be exposed to liability and its ability to achieve its business objectives may be impaired.

Reliance on Management

The Company is relying solely on the past business success of its directors and officers to identify a Qualifying Transaction of merit. The success of the Company is dependent upon the efforts and abilities of its directors and officers. The loss of any of its directors or officers could have a material adverse effect upon the business and prospects of the Company.

Foreign Acquisition

In the event the Company identifies a foreign business as a proposed 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.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. The Company's critical accounting estimates and judgments are disclosed in Note 3 of the financial statements.

RELATED PARTY TRANSACTIONS

During the nine months ended September 30, 2020, professional fees included:

- \$31,491 (2019 - \$13,579) for legal services rendered by a law firm owned by the Chief Executive Officer of the Company; and \$2,916 (2019 - \$nil) for regulatory fees reimbursable to this law firm.

Related party balances

As at September 30, 2020, accounts payable and accrued liabilities included \$25,030 owed to a related party (December 31, 2019 - \$13,215).

OUTSTANDING SHARE DATA

Common shares

The following table sets forth the Company's outstanding share data:

Total common shares at September 30, 2020 and the MD&A Date	3,065,004
Total stock options at September 30, 2020 and the MD&A Date	306,500
Total diluted common shares at September 30, 2020	3,371,504
Total diluted common shares at the MD&A Date	3,371,504

CONTROLS AND PROCEDURES

Disclosure controls and procedures ('DC&P') are intended to provide reasonable assurance that information required to be disclosed is recorded, processed, summarized and reported within the time periods specified by securities regulations and that information required to be disclosed is accumulated and communicated to management. Internal controls over financial reporting ('ICFR') are intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

TSX Venture listed companies are not required to provide representations in filings relating to the establishment and maintenance of DC&P and ICFR, as defined in Multinational Instrument MI- 52-109. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's financial reporting framework. The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding absence of misrepresentations and fair disclosures of financial information. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in MI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.