

Winston Capital Group Inc.
(A Capital Pool Company)
Management Discussion and Analysis
Nine Months Ended September 30, 2019

Dated November 29, 2019

Winston Capital Group Inc.
Management Discussion and Analysis
For the Nine Months ended September 30, 2019

FORM 51-102F1

The following management's discussion and analysis ("MD&A") should be read in conjunction with the Company's financial statements and notes thereto for the nine months ended September 30, 2019. Additional information relating to the Company is available on SEDAR at www.sedar.com.

This MD&A was prepared by management of Winston Capital Group Inc. ("the Company") and was approved by the Board of Directors on November 29, 2019. All amounts are in Canadian dollars unless otherwise stated.

Forward-Looking Statements

Certain statements contained in this document constitute "forward-looking statements". When used in this document, the words "may", "would", "could", "will", "intend", "plan", "propose", "anticipate", "believe", used by any of the Company's management, are intended to identify forward-looking statements. Such statements reflect the Company's forecasts, estimates and expectations, as they relate to the Company'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 Company'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 Company 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 applicable securities law.

Description of the Business

The Company was incorporated on October 22, 2018, by Certificate of Incorporation issued pursuant to the provisions of the *Business Corporations Act* (Alberta). The Company is classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange") corporate finance manual. The Company has no assets other than cash. The Company proposes to identify and evaluate potential acquisitions or businesses, and once identified and evaluated, to negotiate an acquisition or participation subject to regulatory and, if required, shareholders' approval.

The Company's registered head office is located at Suite 1600, 333 – 7th Avenue S.W., Calgary, AB, T2P 2Z1.

On February 28, 2019, the Corporation completed its initial public offering issuing 5,000,000 common shares at \$0.10 for total gross proceeds of \$500,000. In addition to the \$25,000 of work fees already paid (note 1), the Agent received a cash commission of \$50,000 and options to purchase up to 500,000 shares at a price of \$0.10 for a period of two years from the date the shares are first listed on the Exchange.

On February 28, 2019, the Corporation granted Incentive Stock Options to purchase 750,000 Common Shares at \$0.10 for a period of 10 years.

On March 5, 2019, the Corporation's shares commenced trading on the Exchange under the stock symbol WNST.P.

Winston Capital Group Inc.
Management Discussion and Analysis
For the Nine Months ended September 30, 2019

Selected Financial Information

December 31 is the date of the Company's fiscal year end.

The following selected financial data is derived from the financial statements of the Company prepared within acceptable limits of materiality and are in accordance with International Financial Reporting Standards applicable to the preparation of interim financial statements, including IAS 34.

Selected Statement of Financial Position Data

	As at Sept 30, 2019 (unaudited) \$	As at December 31, 2018 Audited \$
Net working capital	413,984	59,133
Total current assets	419,283	89,133
Total current liabilities	5,299	30,000
Total shareholders' equity	413,984	59,133

Selected Statement of Operations Data

	Three Months Ended Sept 30, 2019 \$	9 Months Ended Sept 30, 2019 \$
Expenses		
Professional fees and administrative	20,706	145,149
Stock-based compensation	7,983	23,949
Net and comprehensive loss	28,689	169,098
Loss per share basic and diluted	(0.004)	(0.023)

No prior period comparison activity has been provided as the Corporation was not in existence during the reported period in the prior year.

The Company does not have any operations and will not conduct any business other than the identification and evaluation of business and assets for potential acquisition.

Winston Capital Group Inc.
Management Discussion and Analysis
For the Nine Months ended September 30, 2019

Share Capital

Authorized: Unlimited number of voting Common Shares

Issued Common Shares	Number of Shares	\$
Issued on incorporation	-	-
Issued at \$0.05 per share (i)	2,500,000	125,000
Balance December 31, 2018	2,500,000	125,000
Issued at \$0.10 per share (ii)	5,000,000	500,000
Balance March 31, 2019	7,500,000	625,000
Balance June 30, 2019	7,500,000	625,000

- i. The Company has issued 2,500,000 Common Shares subject to an escrow agreement whereby 10% of the shares will be released upon completion and approval of the Company's qualifying transaction. An additional 15% of the escrowed Common shares will be released on each six-month anniversary thereafter unless otherwise permitted by the Exchange. Common Shares issued upon the exercise of options held by officers and directors are subject to the same escrow conditions. These Common Shares, which are considered contingently issuable until the Company completes a Qualifying Transaction, are not considered to be outstanding for the purpose of the loss per share calculation.
- ii. On February 28, 2019, the Company completed its initial public offering and raised gross proceeds of \$500,000 through the issuance of 5,000,000 Common Shares at a price of \$0.10 per share.

The Company granted Agent's Options (the "Agent's Options") which entitles the Agent to purchase in aggregate up to 500,000 Common Shares at an exercise price \$0.10 per Common Share. The Agent's Options will expire 24 months from the date the Common Shares were listed on the TSX Venture. The Agent also received a cash commission equal to 10% of the gross proceeds of the Offering, a corporate finance fee of \$25,000 and was reimbursed for its legal fees and reasonable expenses.

Share-based payments

The Company has adopted an incentive stock option plan which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares. However, other than in connection with a Qualifying Transaction, during the time that the Company is a CPC, the aggregate number of Common Shares issuable upon exercise of all options granted under the Option Plan shall not exceed 10% of the Common Shares of the Company issued and outstanding at the closing of the Company's initial public offering. Such options will be exercisable for a period of up to ten years from the date of grant and vest immediately in accordance with the terms of their grant.

On March 5, 2019 the Company granted 1,250,000 incentive stock options under its stock option plan to several directors, employees and consultants. The stock options are exercisable on multiple dates until March 5, 2029.

Winston Capital Group Inc.
Management Discussion and Analysis
For the Nine Months ended September 30, 2019

The Black-Scholes option pricing model was used to estimate the fair value of options on the date of grant using the following assumptions of net loss and comprehensive loss.

	2019	2019
Total	750,000	500,000
Expected volatility	111%	111%
Expected life	10 Years	2 Years
Expected forfeiture rate	5%	5%
Risk-free interest rate	1.88%	1.74%
Dividend yield	Nil	Nil
Share price	\$0.35	\$0.35
Weighted average fair value of options at grant date	\$0.33	\$0.28

The fair value of the options granted to directors and officers of \$7,983 is included in share-based compensation expense on the statement

Liquidity, Capital Resources, and Outlook

As at September 30, 2019, the Company had working capital of \$413,984 and cash of \$407,492. Management believes that it has sufficient cash to meet its ongoing obligations and sufficient further resources to be able to identify, evaluate and complete a Qualifying Transaction.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements as at September 30, 2019

Winston Capital Group Inc.
Management Discussion and Analysis
For the Nine Months ended September 30, 2019

Disclosure of Outstanding Share Data

As at the date of this MD&A, the following is a description of the outstanding equity securities and convertible securities previously issued by the Company:

	Authorized	Outstanding
Voting or equity securities issued and outstanding	Unlimited number of Common Shares	2,500,000 Common Shares
Securities convertible or exercisable into voting or equity securities – stock options	Options to acquire up to 10% of the issued and outstanding Common Shares from time to time	Options to acquire 750,000 Common Shares at an exercise price of \$0.10 per Common Share
	Agent's options to acquire up to 10% of the Common Shares issued in connection with the initial public offering	Agent's option to acquire 500,000 Common Shares at an exercise price of \$0.10 per Common Share
Voting or equity securities issuable on conversion or exchange of outstanding securities	As above	As above

Winston Capital Group Inc.
Management Discussion and Analysis
For the Nine Months ended September 30, 2019

Risk and Uncertainties

The Company has a limited history of existence. There can be no assurance that a Qualifying Transaction will be completed. Equity or debt financing may be required to complete a Qualifying Transaction. There can be no assurance that the Company will be able to obtain adequate financing to continue. The securities of the Company should be considered a highly speculative investment. The following risk factors should be given special consideration when evaluating an investment in any of the Company's securities:

- a) 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;
- b) the Company has had no business activity and has not acquired any material assets since its incorporation other than cash;
- c) the Company 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 the Qualifying Transaction;
- d) 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;
- e) even if a proposed Qualifying Transaction is identified, there can be no assurance that the Company will be able to successfully complete the transaction;
- f) the Qualifying Transaction may be financed in all or part by the issuance of additional securities by the Company and this may result in further dilution to the investor, which dilution may be significant, and which may also result in a change of control of the Company;
- g) there can be no assurance that an active and liquid market for the common shares will develop and an investor may find it difficult to resell its common shares;
- h) if the Company fails to complete a Qualifying Transaction within 24 months of listing, the Exchange could suspend or delist the common shares of the Company and an interim cease trade order may be issued against the Company's securities by an applicable securities commission if its common shares are suspended from trading on or delisted from the Exchange or otherwise; and
- i) the Company competes with other Capital Pool Companies that are seeking suitable Qualifying Transactions. In addition, other Capital Pool Companies may have substantially greater financial and technical resources than the Company.

Related Party Transactions

Transactions with related parties are incurred in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and approved by the related parties. There were no related party transactions in the period ending September 30, 2019.

Other Information

The policies of the TSX Venture Exchange prohibit Capital Pool Companies from carrying on formal investor relations activities. Corporate communications and investor inquiries are handled by the Directors of the Company. Additional information about the Company is available on SEDAR at www.sedar.com.

CORPORATE INFORMATION

CONTACT

Head Office

Winston Capital Group Inc.
1600, 333 – 7th Avenue S.W.
Calgary, Alberta T2P 2Z1
Tel: (587) 393-1990
Fax: (587) 4393-5812
E-Mail: bbent@msw.on.ca

Directors

Bruce Bent
John Gamble
Michael White
David Woolford

AUDITORS

MNP LLP

Mississauga, Ontario

TRANSFER AGENT

TSX Trust Company
Calgary, Alberta