

mobio technologies

Mobio Technologies Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE MONTHS ENDED

OCTOBER 31, 2022 AND 2021

TO OUR SHAREHOLDERS**MANAGEMENT'S DISCUSSION AND ANALYSIS**

The following is management's discussion and analysis ("MD&A") of Mobio Technologies Inc.'s ("Mobio" or the "Company") operating and financial results for the three months ended October 31, 2022 and 2021 as well as information and expectations concerning the Company's outlook based on currently available information. This report is dated December 23, 2022.

This MD&A should be read in conjunction with the Company's condensed consolidated interim financial statements for the three months ended October 31, 2022 and 2021, and the audited annual financial statements for the years ended July 31, 2022 and 2021. Additional information is available at www.sedar.com.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the condensed consolidated interim financial statements and MD&A, 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 Board's audit committee meets with management no less than quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking information including the Company's future plans. The use of any of the words "target", "plans", "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. Such forward looking information, including but not limited to statements pertaining to Company's future plans and management's belief as to the Company's potential involve known and unknown risks uncertainties, which could be significant, and other factors which may cause the actual results of the Company and its operations to be materially different from estimated costs or results expressed or implied by such forward-looking statements. Forward looking information is based on management's expectations regarding future growth, results of operations, future capital and other expenditures (including the amount, nature and sources of funding for such expenditures), business prospects and opportunities. These risks related to forward looking information include, but are not limited to: the risks associated with the commercial viability of any technologies the Company is in the process of developing or deploying, delays or changes in plans with respect to any technologies, costs and expenses, the risk of foreign exchange rate fluctuations, risks associated with securing the necessary regulatory approvals and financing to proceed with any planned business venture, product development or deployment, and risks and uncertainties regarding the potential to economically scale and bring to profitability any of the Company's current or planned endeavors. Although the Company has attempted to take into account important factors that could cause actual costs or results to differ materially, there may be other factors that cause the results of the Company's business to not to be as anticipated, estimated or intended.

There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. See the Risk Management section of this MD&A for a further description of these risks. The forward-looking information included in this MD&A is expressly qualified in its entirety by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking information.

1. SUMMARY OF OPERATIONS AND EVENTS

The Company was originally incorporated under the Business Corporations Act (Alberta) on November 19, 1998. On December 6, 2012, the Company changed its name to LX Ventures Inc. and was continued into British Columbia under the Business Corporations Act (British Columbia). On July 7, 2014, the Company again changed its name to Mobio Technologies Inc.

Development of the Company's Business

On February 22, 2019, the Company completed a plan of arrangement whereby the shares of one of the Company's subsidiaries, Plank Ventures Ltd. ("Plank"), was distributed to the shareholders of the Company and Plank ceased to be a subsidiary of the Company. Pursuant to the plan of arrangement, all of the Company's portfolio investments were transferred to Plank. In accordance with IFRS 10, as the Company had a variable interest in Plank through an intercompany receivable and has the same directors and shareholders as Plank, the Company met the criteria for having control over Plank and, therefore, the consolidated financial statements include the assets, liabilities, revenues and expenses of Plank and its subsidiaries. The portion of equity attributable to the shareholders of Plank was included as a separate component of equity in the consolidated statements of financial position. On August 20, 2020, the Company forgave the intercompany receivable from Plank of \$6,543,410 resulting in a \$1,209,217 loss on deconsolidation. Effective August 20, 2020, the Company is no longer exposed to variable returns in Plank and therefore no longer controls Plank. The investment balance of \$536,521 in Plank was also cancelled.

Over the past several years, Mobio has completed a series of acquisitions that give it a footprint in the social media space. The Company is now focused primarily on one of these acquired assets, Strutta.com Media Inc. ("Strutta"). Strutta is a social promotions platform that allows brands to run contests and sweepstakes across multiple social web channels.

Financing Activities

On January 10, 2022, the Company received a loan in the amount of \$25,000 from a company controlled by an officer. The loan is unsecured, due on demand and bears interest at 10% per annum. During the three months ended October 31, 2022, the Company recorded \$630 (period ended October 31, 2021 - \$Nil) in interest on the loan. The balance of the loan at October 31, 2022 is \$27,021 (2022 - \$26,390).

On January 10, 2022, the Company received a loan in the amount of \$100,000 from a company controlled by a significant shareholder. The loan is unsecured, due on demand and bears interest at 10% per annum. During the three months ended October 31, 2022, the Company recorded \$2,521 (period ended October 31, 2021 - \$Nil) in interest on the loan. The balance of the loan at October 31, 2022 is \$108,083 (2022 - \$105,562).

On April 6, 2020, the Company received a loan in the amount of \$100,000 from a company controlled by an officer. The loan is unsecured, due on demand and bears interest at 10% per annum. During the three months ended October 31, 2022, the Company recorded \$3,050 (period ended October 31, 2021 - \$2,773) in interest on the loan. The balance of the loan at October 31, 2022 is \$127,929 (2022 - \$124,879).

On January 30, 2020, the Company received a loan in the amount of \$50,000 from a company controlled by an officer. The loan is unsecured, due on demand and bears interest at 10% per annum. During the three months ended October 31, 2022, the Company recorded \$1,525 (period ended October 31, 2021 - \$1,386) in interest on the loan. The balance of the loan at October 31, 2022 is \$65,075 (2022 - \$63,550).

On November 20, 2019, the Company received a loan in the amount of \$50,000 from a company controlled by an officer. The loan is unsecured, due on demand and bears interest at 10% per annum. During the three months ended October 31, 2022, the Company recorded \$1,525 (period ended October 31, 2021 - \$1,386) in interest on the loan. The balance of the loan at October 31, 2022 is \$66,252 (2022 - \$64,727).

On August 29, 2019, the Company received a loan in the amount of \$100,000 from a company controlled by a significant shareholder. The loan is unsecured, due on demand and bears interest at 10% per annum. During the three months ended October 31, 2022, the Company recorded \$3,231 (period ended October 31, 2021 - \$2,955) in interest on the loan. The balance of the loan at October 31, 2022 is \$134,627 (2021 - \$131,397).

On August 14, 2019, the Company received a loan in the amount of \$25,000 from a company controlled by an officer. The loan is unsecured, due on demand and bears interest at 10% per annum. During the three months ended October 31, 2022, the Company recorded \$829 (period ended October 31, 2021 - \$753) in interest on the loan. The balance of the loan at October 31, 2022 is \$34,004 (2021 - \$33,176).

2. EARNINGS AND EXPENSES

Following is a discussion of the Company's financial results for the three months ended October 31, 2022 and 2021. The condensed consolidated interim financial statements of the Company for the three months ended October 31, 2022 and 2021 have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). All inter-company balances and transactions have been eliminated upon consolidation.

Three Months Ended October 31, 2022 and 2021

Revenue

The Company's revenues primarily consist of software licensing fees and usage fees generated by Strutta.

The Company's revenues for the three-month period ended October 31, 2022, were \$406 compared to \$2,686 for the three months ended October 31, 2021, the main difference relating to an adjustment to reclass Strutta revenue as it was previously presented as net of hosting and management charges performed by a 3rd party.

Expenses

The Company's expenses for the three-month period ended October 31, 2022, were \$49,387 compared to \$42,328 for the three-month period ended October 31, 2021, an increase of \$7,059. The major differences are described below:

- A decrease of \$4,155 in personnel costs mainly related to a reduction of staff costs.
- An increase of \$9,319 in professional fees in order to have a review performed on the Company's Q1 2023 results.
- An increase of \$1,858 in regulatory and filing costs mainly for Sequoia's filing fees for the year end July 2022 annual general meeting.

Other items for the three months ended October 31, 2022 were \$14,779 compared to \$9,207 for the three months ended October 31, 2021. The increase of \$5,572 is mainly for the interest of the related party loans.

3. LIQUIDITY AND CAPITAL RESOURCES

At October 31, 2022, the Company had a working capital deficit of \$445,449, compared to working capital of \$680,645 at July 31, 2022. Management has been actively engaged in securing the resources necessary from internal and external sources to fulfill all of the Company's planned activities.

On August 14, 2019, the Company received a loan in the amount of \$25,000 from a company controlled by an officer. The balance of the loan at October 31, 2022 is \$34,004.

On August 29, 2019, the Company received a loan in the amount of \$100,000 from a company controlled by a significant shareholder. The balance of the loan at October 31, 2022 is \$134,627.

On November 20, 2019, the Company received a loan in the amount of \$50,000 from a company controlled by an officer. The balance of the loan at October 31, 2022 is \$66,252.

On January 30, 2020, the Company received a loan in the amount of \$50,000 from a company controlled by an officer. The balance of the loan at October 31, 2022 is \$65,075.

On April 6, 2020, the Company received a loan in the amount of \$100,000 from a company controlled by an officer. The balance of the loan at October 31, 2022 is \$127,929.

On January 10, 2022, the Company received a loan in the amount of \$100,000 from a company controlled by an officer. The balance of the loan at October 31, 2022 is \$108,083.

On January 10, 2022, the Company received a loan in the amount of \$25,000 from a company controlled by an officer. The balance of the loan at October 31, 2022 is \$27,021.

4. SELECTED QUARTERLY INFORMATION

The following table provides a brief summary of the Company's financial results for each of the eight most recent quarters. For additional information pertaining to the Company's quarterly results, please refer to the Company's audited annual consolidated financial statements for the years ended July 31, 2022, and 2021, to the Company's condensed consolidated interim financial statements for corresponding periods, and to the MD&A for each period presented, which are available at www.sedar.com.

SUMMARY OF QUARTERLY RESULTS								
Quarter ended	Oct. 31 2022	Jul. 31 2022	Apr. 30 2022	Jan. 31 2022	Oct. 31 2021	Jul. 31 2021	Apr. 30 2021	Jan. 31 2021
Revenue	\$ 406	\$ 4,227	\$ 385	\$ 768	\$ 2,686	\$ 2,258	\$ 7,147	\$ 4,437
Expenses	49,387	50,530	53,724	62,717	42,328	52,276	81,113	71,885
Net comprehensive income (loss)	(63,760)	(60,747)	(67,057)	(40,977)	(48,849)	(15,097)	(90,379)	(59,001)
Loss per share, basic and diluted	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

5. RELATED PARTY TRANSACTIONS

Payments to key management and directors, for the periods ended October 31, 2022 and 2021 were as follows:

Three months ended October 31,	2022	2021
Management fees paid to current and former directors and/or officers, or to companies controlled by directors and/or officers	\$ 15,000	\$ 5,000
Total compensation	\$ 15,000	\$ 5,000

Interest and accretion recorded on related party loans for the periods ended October 31, 2022 and 2021 were as follows:

Three months ended October 31,	2022	2021
Interest and accretion accrued on loans payable to companies with a common director and officer or to companies controlled by directors and/or officers or by significant shareholders	\$ 13,310	\$ 9,254

Included in accounts payable and accrued liabilities at October 31, 2022 is \$90,000 (July 31, 2022 - \$95,250, July 31, 2021 - \$97,000) owing to officers of the Company. These amounts are non-interest bearing, unsecured and due on demand.

6. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, accounts receivable, due from related party, investments, related party loans payable and trade payables. As at October 31, 2022 there were no significant differences between the carrying amounts of these items and their estimated fair values.

The carrying value of these items approximates their fair value.

Related party loans payable are measured at amortized cost using the effective interest rate method and transaction costs associated with the loans are amortized through net loss over the life of the loans.

Fair Value

The Board of Directors approves and monitors the risk management processes. The Company has exposure to the following risks from its use of financial instruments:

- Interest rate risk
- Credit risk
- Liquidity risk
- Market risk
- Currency risk

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company manages its financial instruments with the objective of minimizing potential interest rate risk, which generally means avoiding interest-bearing obligations other than in unusual circumstances. The Company is not exposed to significant interest rate risk.

Credit Risk

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. The credit risk of the Company is associated with cash and accounts receivable. Management believes that the credit risk with respect to cash is minimal as balances are held with a high-credit quality financial institution. Accounts receivable have historically been subject to very few bad debts.

Liquidity Risk

The Company's exposure to liquidity risk is dependent on the collection of accounts receivable, purchasing commitments and obligations or raising funds to sustain operations. The Company controls liquidity risk by management of working capital and cash flows. The Company's ability to meet its future obligations may depend in significant part on the extent to which the Company can raise sufficient funds or implement successfully its business growth and cost reduction strategies. The Company cannot provide any assurance that it will be able to implement its strategy fully or that the anticipated results of its strategy will be realized.

Market Risk

The Company's exposure to financial market risk is limited, as it presently does not have any investments where value fluctuates as a result of changes in prices quoted in open markets.

Currency risk

Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company's reporting currency is Canadian dollars and has not entered into any derivative instruments to manage foreign exchange fluctuations.

7. RISK MANAGEMENT

Early stage technology companies face many risks. While management is unable to eliminate risks, the Company is intent on identifying and mitigating such risks as much as is reasonably possible.

In evaluating an investment in Mobio, in addition to other information contained in this MD&A, investors should consider the following risk factors associated with Mobio's business of investing in startup companies. These risk factors are not a definitive list of all risk factors associated with the Company and its business.

Risk of Loss of Entire Investment

Investing in startup companies involves a high level of risk. Startup companies may fail completely or Mobio may be unable to resell the shares it owns in the startup or collect upon the debt instrument that the Company has purchased from the startup. In these situations, Mobio may lose the entire amount of the investment.

Return on Investment is Not Guaranteed

The amount of return on investment, if any, is highly variable and not guaranteed. Some startups may be successful and generate significant returns, but many will not be successful and will only generate small returns, if any at all. Investment returns that the Company may receive will be variable in amount, frequency, and timing.

Delay in Return on Investment

Any returns generated by startup companies may take several years to materialize. Most startups take five to seven years to generate any investment return, if at all.

Liquidity Risk

It may be difficult to resell the investment in a startup. Startup investments are privately held companies and are not traded on a public stock exchange. Also, there is currently no readily available secondary market for private buyers to purchase securities of startups. Furthermore, there may be restrictions on the resale of the shares of the startup and the ability to transfer those shares.

Dilution Risk of the Investment

Startup companies may need to raise additional capital in the future through the issue of additional shares. This will dilute the percentage ownership that Mobio has in the company.

Risk of Inaccurate Valuation of the Investment

Unlike publicly traded companies that are valued through market-driven stock prices, the valuation of private companies, especially startups, is difficult to assess. The issuer will set the share price of the investment and there is a risk of overpaying for that investment.

Risk of Failure of the Startup

Investments in startups are speculative and these companies often fail. Unlike an investment in a mature business where there is a track record of revenue and income, the success of a startup often relies on the development of a new product or service that may or may not find a market.

Risk of Profitability of Startup Companies

A startup company is still in an early phase and may be just beginning to implement its business plan. There can be no assurance that it will ever operate profitably. The likelihood of achieving profitability should be considered in light of the problems, expenses, difficulties, complications and delays usually encountered by companies in their early stages of development. The startup company may not be successful in attaining the objectives necessary for it to overcome these risks and uncertainties.

Funding risk

A startup company may require funds in excess of its existing cash resources to fund operating expenses, develop new products, expand its marketing capabilities, and finance general and administrative activities. Due to market conditions at the time the startup company needs additional funding, it is possible that the company will be unable to obtain additional funding when it needs it, or the terms of any available funding may be unfavorable. If the company is unable to obtain additional funding, it may not be able to repay debts when they are due, or the new funding may excessively dilute existing investors. If the company is unable to obtain additional funding as and when needed, it could be forced to delay its development, marketing and expansion efforts and, if it continues to experience losses, potentially cease operations.

Disclosure risks

The startup company is at an early stage and may only be able to provide limited information about its business plan and operations because it does not have fully developed operations or a long trading history. The company is also only obligated to provide limited information regarding its business and financial affairs to investors.

Personnel risks

An investment in a startup is also an investment in the management of the company. Being able to execute on the business plan is often an important factor in whether the business is viable and successful. The startup company's management may not have the necessary expertise and experience to deliver on the company's business plan.

Growth risk

For a startup to succeed, it will need to expand significantly. There can be no assurance that it will achieve this expansion. Expansion may place a significant strain on the company's management, operational and financial resources. To manage growth, the company will be required to implement operational and financial systems, procedures and controls. It also will be required to expand its finance, administrative and operations staff. There can be no assurance that the company's current and planned personnel, systems, procedures and controls will be adequate to support its future operations. The company's failure to manage growth effectively could have a material adverse effect on its business, results of operations, and financial condition.

Competition risk

The startup may face competition from other companies, some of which might have received more funding than the startup has. One or more of the company's competitors could offer services similar to those offered by the company at significantly lower prices, which would cause downward pressure on the prices the company would be able to charge for its services. If the company is not able to charge the prices it anticipates charging for its services, there may be a material adverse effect on the company's results of operations and financial condition.

Market demand risk

While a startup company believes that there will be customer demand for its products, there is no assurance that there will be broad market acceptance of the company's offerings. There also may not be broad market acceptance of the company's offerings if its competitors offer products which are preferred by prospective customers. In such event, there may be a material adverse effect on the company's results of operations and financial condition, and the company may not be able to achieve its goals.

Control risks

Because the company's founders, directors and executive officers may be among the company's largest stockholders, they can exert significant control over the company's business and affairs and have actual or potential interests that may depart from Mobio's. The company's founders, directors and executive officers may own or control a significant percentage of the startup company. In addition to their board seats, such persons will have significant influence over corporate actions requiring stockholder approval, irrespective of how the company's other shareholders, including Mobio, may vote.

COVID-19

Since March 2020, several measures have been implemented in Canada and the rest of the world in response to the increased impact from novel coronavirus ("COVID-19"). The Company continues to operate its business at this time. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations, cannot be reasonably estimated at this time. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows in future periods.

8. ACCOUNTING POLICIES & USE OF CRITICAL ESTIMATES

The preparation of the condensed consolidated interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. An area subject to significant estimates is the impairment of financial and non-financial assets. Actual results could differ from those estimates.

Management has applied judgments in the assessment of the Company's ability to continue as a going concern when preparing its condensed consolidated interim financial statements for the period ended October 31, 2022. Management prepares the condensed consolidated interim financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Management considered a wide range of factors relating to current and expected profitability, current working capital levels, and potential sources of replacement financing.

As a result of the assessment, management concluded the going concern basis of accounting is appropriate based on its profit and cash flow forecast and expectations with respect to access to financing for the next twelve months.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

9. OUTSTANDING SHARE DATA

As of the date of this MD&A, 42,583,260 common shares were issued and outstanding.

As of the date of this MD&A, the Company had no share purchase warrants issued and outstanding.

As of the date of this MD&A, the Company had the following stock options issued and exercisable:

Outstanding (#)	Exercisable (#)	Exercise Price (\$)	Expiry Date
75,000	75,000	0.22	January 19, 2028

10. PROPOSED TRANSACTION

On March 14, 2022, the Company entered into a non-binding letter of intent which sets out the proposed basic terms and conditions for the 100% acquisition of Tracksuit Movers Inc. ("TMI"), a full-service moving company franchisor through a share exchange.

The shareholders of TMI will be issued shares in the Company at the market value at closing of the transaction based upon a valuation of \$12,000,000. Concurrently with the acquisition of TMI, the Company will need to complete a private placement equity financing of \$3,000,000 to \$4,000,000.

The acquisition of TMI is subject to negotiation and entering into a binding share exchange agreement, approval by disinterested shareholders of the Company and acceptance of the transaction by the TSX Venture Exchange.