

**ORLETTO CAPITAL II Inc.**  
Management's Discussion and Analysis  
For the three and nine months ended September 30, 2019

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**(A Capital Pool Company)**  
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FORM 51-102F1

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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 three and nine months ended September 30<sup>th</sup>, 2019. Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com).

This MD&A was prepared by management of Orletto Capital II Inc. ("the Company"), and was approved by the Board of Directors on November 22, 2019. All amounts are in Canadian dollars unless otherwise stated. The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

## 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 law.

## Description of the Business

The Company was incorporated on February 27, 2018 under the Canada Business Corporations Act to become a Capital Pool Company listed on the TSX Venture Exchange Inc. (Exchange), according to the provisions of Policy 2.4 of the TSX Venture Exchange Corporate Finance Manuel.

The address of the Company's registered office is 70, Dalhousie Street, Suite 300, Québec, (QC), Canada.

The principal business of the Company is the identification and evaluation of assets or business with a view to completing a Qualifying Transaction under policies of the Exchange. The Company must complete a Qualifying Transaction, which is subject to the approval of the Exchange within the next 24 months of incorporation.

## Material Event

### CONCLUSION OF AN AGREEMENT IN PRINCIPLE WITH RESPECT TO A QUALIFYING TRANSACTION BETWEEN ORLETTO CAPITAL II INC. AND MIMEDIA INC.

**On July 29, 2019** – Orletto Capital II Inc. (“Orletto”) announced the conclusion of an agreement in principle with MiMedia Inc. (“MiMedia”) for the realization of a qualifying transaction, as per Policy 2.4 of the TSX Venture Exchange (the “Exchange”).

According to the terms of the agreement in principle, Orletto proposes a business combination with MiMedia at an exchange ratio of 10% for the shareholders of Orletto and 90% for the shareholders of MiMedia, calculated prior to any additional financing. The qualifying transaction is subject to various conditions such as its approval by the board of directors of Orletto and MiMedia and the completion of a concurrent private or public placement of a minimum of USD3,000,000 and a maximum of USD12,000,000. Furthermore, the Exchange has not considered the merits of the contemplated qualifying transaction. A more detailed press release will be subsequently published in order to provide additional details on the contemplated qualifying transaction. Trading in the common shares of Orletto has been since halted up until the publication of a press release announcing that trading in the common shares is resumed.

**About MiMedia.** MiMedia's next generation consumer cloud enables consumers to access all their personal content (photos, videos, music, documents), on any device or operating system, whenever they want. MiMedia is dedicated to reinventing the personal cloud. It's the digital home our memories deserve, finally. MiMedia cares a lot about families and private sharing and built a unique feature called “MiDrives,” which allow for personal media to be kept securely and shared privately among invited family and friends. MiMedia is about simplifying, enjoying and sharing the digital lives and offers consumers a rich and engaging experience plus powerful tools to curate, personalize and (re)discover the digital memories. MiMedia provides its OEMs and telco partners with high-margin, recurring revenue streams, an ability to drive user acquisition and improve customer retention and capture immediate market leadership with its unique platform. MiMedia has millions of highly engaged users and is integrated with six leading smartphone OEMs around the world. MiMedia is NYC made, with people passionate about changing consumers' digital lives for the better.

*Completion of the transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable pursuant to Exchange Requirements, majority of the minority shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.*

*The TSX Venture Exchange Inc. has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.*

## Initial Public Offering (“IPO”)

On August 15, 2018, the Company completed its IPO of (i) 4,000,000 common shares of the capital stock of the Corporation (the “Common Shares”), at a price of \$0.10 per Common Share (the "Offering"), for gross proceeds of \$400,000, (ii) the grant of non-transferable options to the agent (Haywood Securities), entitling the holder to acquire 400,000 Common Shares at a price of \$0.10 per Common Shares, up to August 14, 2020 and (iii) the grant of 680,000 stock options to the directors and officers of the Corporation to purchase an aggregate number of 680,000 Common Shares, at a price of \$0.10 per Common Share, during a period of 5 years from the date of grant.

At the same time, the Corporation announced the listing of its Common Shares on the TSX Venture Exchange under the ticker abbreviation “OLT.P”.

The purpose of this Offering was to provide the Company with a minimum amount of funds with which to identify and evaluate potential acquisitions or businesses, and once identified and evaluated, to negotiate an acquisition.

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## Selected Financial Information

The Company was incorporated under the provision of the Business Corporation Act (Quebec) on February 27, 2018 and December 31 is the date of its 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 Standard. The Company's expenditures mainly include costs to maintain its public company status in good standing and expenses to identify and evaluate acquisitions of companies, businesses, assets or properties.

### Selected Quarterly Information

December 31, Year End	For the Period Ended	
	September 30, 2019 Q3 – unaudited	December 31, 2018 <sup>1</sup> audited
Cash	\$ 309,023	\$ 363,929
Total current assets	\$ 310,518	\$ 363,929
Total long –term assets	\$ -	\$ -
Total current liabilities	\$ 11,096	\$ 5,345
Total shareholders' equity	\$ 299,422	\$358,584

<sup>1</sup> On August 15, 2018, the Company completed its IPO – share count in thousand 000

### Selected Quarterly Information

	Q1 ended March 31, 2018	Q2 ended June 30,2018	Q3 ended September 30, 2018	Q4 ended December 31, 2018	Q1 ended March 31, 2019	Q2 ended June 30,2019	Q3 ended September 30, 2019
Expenses	\$2,500	\$5,892	\$13,201	\$17,847	\$26,041	\$16,714	\$17,834
Stock-based compensation	\$ -	\$ -	\$49,782	\$ -	\$ -	\$ -	\$ -
Net loss for the period	\$2,500	\$5,892	\$62,983	\$17,847	\$26,041	\$16,714	\$17,834
Basic loss per share	\$0.001	\$0.002	\$0.013	\$0.004	\$0.004	\$0.002	\$0.003
Average Number of shares outstanding <sup>1</sup>	2,800	2,800	4,843	4,778	6,800	6,800	6,800

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.

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**Selected Statement of Operations Data**

	For the Q3 Period ended September 30,	
	2019 (unaudited)	2018 (unaudited)
Expenses	\$17,834	\$12,501
Stock-based compensation	\$ -	\$49,782
Net loss for the period	\$17,834	\$62,983
Basic loss per share	\$0.003	0.013
Average Number of shares outstanding <sup>1</sup>	6,800,000	4,843,478

<sup>1</sup> On August 15, 2018, the Company completed its IPO with the total amount of share outstanding now amounting to a total of 6,800,000.

Expenses during the third quarter ending September 30, 2019 were principally composed of professional fees from our lawyers and accounts totalling \$16,339 and the balance totalling \$1,495 being associated with a prepaid expense.

**Liquidity, Capital Resources and Outlook**

The Company's ability to meet its obligations and its ability to finance its operations depends on being able to complete the Company's Qualifying Transaction and to obtain additional funding in the future. We expect to generate negative cash flow from operating activities in the future until at least our Qualifying Transaction is completed and we commence revenue generation.

Management intends to ensure that the operational and administrative costs are minimal prior to the completion of a Qualifying Transaction to preserve the Company's working capital.

**Off-Balance Sheet Arrangements**

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

**Critical Accounting Estimates and Policies**

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 dates of the financial statements and the reported amounts of revenues and expenses during the reported years. Actual results could differ from those estimates.

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amount of assets and liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Information related to critical judgments in applying accounting policies and estimates that have the most significant impact on the financial statements relates to deferred income taxes and fair value of stocks options.

## Financial Instruments and Other Instruments

The Company's financial instruments consist of cash and account payable and accrued liabilities. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values, as applicable.

## 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 issued and outstanding	Unlimited Common Shares	6,800,000 Common Shares <sup>1</sup>
Securities convertible or exercisable into voting or equity securities – stock options and warrants	Directors' and officers' stock options to acquire up to 10% of the issued and outstanding common shares	680,000 <sup>1</sup>
	Agent's warrants to acquire up to 10% of the common shares issued in connection with the initial public offering	400,000 <sup>1</sup>
Voting or equity securities issuable on conversion or exchange of outstanding securities	as above	as above

<sup>1</sup> On August 15, 2018, the Company completed its IPO with the total amount of share outstanding now amounting to a total of 6,800,000 of which 2,800,000 shares are held in escrow. As of August 15, 2018, a total 680,000 stock options were granted to directors and officers of the Corporation for a period of 5 years and 400,000 non-transferable options were granted to the agent for a period up to August 14, 2020, entitling the holders to acquire 680,000 and 400,000 Common Shares respectively at \$0.10 per Common Share.

## Risks 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 paid any dividends and will not generate 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 in 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 TSX Venture 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 TSX Venture Exchange or otherwise; and
- i) the Company competes with many 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.

### **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](http://www.sedar.com).

### **CORPORATE DIRECTORY**

Trading Symbol – OLT.P  
Exchange – TSX-V

#### **Head Office**

Orletto Capital Inc.  
1-778-996-4676

#### **Legal Counsel, Canada**

Stein Monast S.E.N.C.R.L.  
#300, 70 rue Dalhousie  
Quebec, PQ, G1K 4B2  
T: 418-640-4427

#### **Officer and Directors**

Benoit Chotard  
Octavio Soares  
Claude Pouliot  
Cynthia Mailloux

#### **Auditors**

Mallette S.E.N.C.R.L.  
#200, 3075 chemin des Quatre-Bourgeois  
Québec, PQ, GIW 5C4  
T : 418-653-4455, ext : 2547

#### **Audit Committee**

Claude Pouliot  
Octavio Soares  
Benoit Chotard

#### **Transfer Agent**

CST Trust Company  
320 Bay Street  
Toronto, ON, M5H 4A6