

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
OF THE COMPANY'S FINANCIAL CONDITION AND RESULTS OF OPERATIONS  
FOR THE YEAR ENDED OCTOBER 31, 2017**

**FORM 51-102F1**

**Date and Subject of Report**

The following Management Discussion & Analysis ("MD&A") is intended to assist in the understanding of the trends and significant changes in the financial condition and results of operations of Priyanka Capital Inc. ("Priyanka" or "PCI" or the "Company") for the year ended October 31, 2017. The MD&A should be read in conjunction with the audited financial statements for the year ended October 31, 2017. The MD&A has been prepared effective February 28, 2018.

**SCOPE OF ANALYSIS**

The following is a discussion and analysis of Priyanka Capital Inc. (the "Company"), which was incorporated on October 16, 2014, under the laws of the Province of British Columbia. The Company's head office is located at Suite 701 - 595 Howe Street, Vancouver, British Columbia, V6C 2T5. The Company reports its financial results in Canadian dollars and prepares its financial statements in accordance and compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

**Priyanka's Business**

The principal business of the Company is to identify, evaluate and then acquire an interest in a business or assets.

The Company entered into an arrangement agreement dated December 8, 2014 (the "**Arrangement Agreement**") with Leucadia Finance Partners Inc. ("**Leucadia**"), Glenmac Capital Inc., Nishal Capital Inc., Ravensden Capital Inc. and Real Difference Capital Inc. Final court approval of the plan of arrangement (the "**Arrangement**") was obtained on January 15, 2015 and the Company has completed its arrangement on February 12, 2015 (the "**Effective Date**") (See Note 7). Shareholders of record of Leucadia on the Effective Date (the "**Shareholders**") received, among other things, one new common share of Leucadia and one-half of one Class 1 Reorganization Share of Leucadia (each whole share, a "**Reorganization Share**") for each Leucadia share held, which Reorganization Shares were then, pursuant to the Arrangement and requisite corporate approvals, automatically transferred by Shareholders to the Company in exchange for an aggregate of 1,316,670 common shares of the Company (each, a "**Priyanka Share**"), after accounting for rounding, which shares were issued to the Shareholders on a *pro rata* basis, such that the 1,316,667 Reorganization Shares were exchanged for 1,316,670 Priyanka Shares. Fractional shares of the Company were not issued, and any fractional shares resulting from the Arrangement were rounded up or down to the nearest whole number. Immediately following this, Leucadia redeemed all of the Reorganization Shares by the transfer to the Company of

\$30,000 cash and a promissory note in the principal amount of \$35,833. On closing of the Arrangement, the Company became a reporting issuer in British Columbia and Alberta. Share certificates for the Priyanka Shares will be distributed or credited to Shareholders in due course.

## RESULTS OF OPERATIONS

During the year ended October 31, 2017, the Company incurred \$2,760 (2016 - \$1,000) of professional fees related to auditing. The Company incurred \$Nil (2016 - \$4,498) of transfer agent and filing fees and consulting fees of \$40,000 (2016 - \$41,500).

## SELECTED ANNUAL INFORMATION

The following financial data, which has been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”), is derived from the Company’s financial statements. These sums are being reported in Canadian dollars and did not change as a result of the adoption of policies concerning Financial Instruments.

	Year ended	Year ended	Year ended
	October 31, 2017	October 31, 2016	October 31, 2015
Total Revenue	\$ --	\$ --	\$ --
Interest income	--	--	--
Expenses	42,833	47,106	62,056
Net income (loss)	(42,833)	(47,106)	(62,056)
Total assets	36,835	46,319	49,585
Total long-term liabilities	--	--	--
Net earnings (loss) per share (basic and diluted)	(0.03)	(0.04)	(0.07)

## SELECTED QUARTERLY INFORMATION

The following table summarized the results of operations for the most recent quarters.

	Three months ended			
	October 31, 2017	July 31, 2017	April 30, 2017	January 31, 2017
	-\$-	-\$-	-\$-	-\$-
Total Revenue	--	--	--	--
Interest income	--	--	--	--
Expenses	12,778	10,018	10,018	10,018
Net income (loss)	(12,778)	(10,018)	(10,018)	(10,018)
Net earnings (loss) per share and diluted earnings (loss) per share	(0.01)	(0.01)	(0.01)	(0.01)

	Three months ended			
	October 31, 2016	July 31, 2016	April 30, 2016	January 31, 2016
	-\$-	\$-	-\$-	-\$-
Total Revenue	--	--	--	--
Interest income	--	--	--	--
Expenses	11,915	11,118	12,955	11,118
Net income (loss)	(11,915)	(11,118)	(12,955)	(11,118)
Net earnings (loss) per share and diluted earnings (loss) per share	(0.01)	(0.00)	(0.01)	(0.01)

## LIQUIDITY

As at October 31, 2017, the Company negative working capital of \$121,994, had not yet achieved profitable operations, had accumulated deficit of \$151,994 and expects to incur further losses in the development of its business, all of which casts significant doubt upon the Company's ability to continue as a going concern.

The Company currently is not able to internally finance on-going operating costs of its businesses over the long term and therefore will require additional financing by means of issuing share capital, advances from related parties, or other sources. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. In addition, the Company will require additional financing in order to assist in the search, and, if warranted, acquisition of a business opportunity. There can be

no certainty of the Company's ability to raise additional financing through private placements, advances from related parties, or other sources to fund these activities. Consequently the Company is subject to liquidity risks.

These financial statements have been prepared in accordance with accounting principles applicable to a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for its next fiscal year. Realization values may be substantially different from carrying values as shown and the Company's financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern.

## **CAPITAL RESOURCES**

The Company is actively looking to acquire an interest in a business or assets and this involves a high degree of risk. The Company has not determined whether it will be successful in its endeavours and does not generate cash flows from operations. The Company's primary source of funds comes from the issuance of capital stock. The Company does not use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations, and is not subject to any externally imposed capital requirements.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern.

The Company defines its capital as equity. Capital requirements are driven by the Company's general operations. To effectively manage the Company's capital requirements, the Company monitors expenses and overhead to ensure costs and commitments are being paid.

The Company does not expect to make significant capital expenditures in the near future.

## **FINANCIAL INSTRUMENTS**

The Company's risk exposure and the impact on the Company's financial instruments is summarized below:

### *Credit risk*

The Company's cash is largely held in large Canadian financial institutions. The Company maintains cash deposits with these financial institutions, which from time to time may exceed federally insured limits. The Company is exposed to credit risk to the extent of its loans receivable.

### *Liquidity risk*

The Company's ability to continue as a going concern is dependent on management's ability to raise required funding through future equity issuances and through short-term borrowing. The

Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. All of the Company's financial liabilities are current and expected to fall due within 30 days, except for the loan payable, which is due on demand.

#### *Foreign exchange risk*

The Company's functional and reporting currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company is not exposed to foreign exchange risk.

#### *Interest rate risk*

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The Company maintains bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

#### *Other price risk*

Other price risk is the risk that the fair values or future cash flows of a financial instrument will fluctuate due to changes in market prices other than from interest rates and foreign currency risk. The Company is not exposed to other price risk.

### **OFF BALANCE SHEET ARRANGEMENTS**

As at October 31, 2017, the Company had no off-balance sheet arrangements.

### **PROPOSED TRANSACTIONS**

Except for starting its business to identify, evaluate and then acquire an interest in a business or assets, the Company does not have any proposed transactions to discuss at this time.

### **TRANSACTIONS WITH RELATED PARTIES**

Due to a related party as at October 31, 2017 is \$525 (2015 - \$525) owing to Nishal Capital Inc., a company related by the common directors for the purpose of reimbursing expenses paid on behalf of the Company. The balances are unsecured, non-interest-bearing and have no fixed terms of repayment.

Pursuant to the Arrangement (note 1), the Company holds a promissory note receivable of \$35,833, (2015 - \$35,833) from Leucadia, a company related by common directors. The promissory note is non-interest-bearing, due on demand, and has no fixed terms of repayment.

These transactions above are in the normal course of operations and are measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

## **OUTSTANDING SHARE DATA**

Authorized: unlimited common shares without par value  
unlimited preferred shares without par value

Issued and Outstanding:

	Number of Shares	Amount
Balance as at October 31, 2017 and as at date of this MD&A	1,316,670	\$ 65,833

The Company did not have any stock options and warrants outstanding as at October 31, 2017 and as at date of this MD&A.

## **CONTINGENCIES**

There is no significant identifiable contingency outstanding.

## **SUBSEQUENT EVENTS**

There are no significant subsequent events.

## **ACCOUNTING ESTIMATES AND FUTURE ACCOUNTING PRONOUNCEMENTS**

Please refer to the notes to the financial statements for the year ended October 31, 2017.

## **RISKS AND UNCERTAINTIES**

### **Market risk**

Market risk is the risk that a change in market prices and/or any of the underlying market factors will result in losses. Each business area is responsible for ensuring that its market risk exposures are prudent. In addition, Priyanka will establish procedures to ensure that risks are measured, closely monitored, controlled and visible to senior levels of management.

The Company may be exposed to equity price risk, liquidity risk and volatility risk as a result of its activities in equity securities if it decides to invest in marketable securities. Priyanka will also be exposed to specific interest rate risk, credit spread risk and liquidity risk in respect of its fixed income securities. In addition to active supervision and review of all activities by senior management, the Company will mitigate its risk exposure through a variety of limits to control concentration, capital allocation and usage, as well as through policies and guidelines.

### **Operational risk**

Operational risk is the risk of loss resulting from inadequate or failed internal processes, fraud, people and systems, or from external events such as the occurrence of disasters or security threats. Operational risk will exist in all of Priyanka's activities, including processes, systems and controls used to manage other risks. Failure to manage operational risk can result in financial loss, reputational damage, regulatory fines and failure to manage market or credit risks.

The Company will operate in different markets and rely on its employees and systems to process a number of transactions. In order to mitigate this risk, Priyanka will develop a system of internal controls and checks and balances at appropriate levels, which will include, cash controls, physical security, independent review procedures, documentation standards, billing and collection procedures, and authorization and processing controls for transactions and accounts. disaster recovery procedures in place, business continuity plans and built-in redundancies in the event of a systems failure.

### **Regulatory Risk**

Regulatory risk results from non-compliance with regulatory requirements, which could lead to fines and/or sanctions. Priyanka will establish procedures to ensure compliance with all applicable statutory and regulatory requirements in each jurisdiction. These procedures will address issues such as regulatory capital requirements, disclosure requirements, internal controls over financial reporting, use of and safekeeping of client funds, credit granting, collection activity, antimoney laundering, insider trading, conflicts of interest and recordkeeping.

Legal risk results from potential criminal, civil or regulatory litigation against Priyanka that could materially affect the Company's business, operations or financial condition. Priyanka will have

access to external legal counsel, to assist the Company in addressing legal matters related to operations and to defend the Company's interests in various legal actions.

## **FORWARD LOOKING STATEMENTS**

The information set forth in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are preceded by, followed by or include the words 'believes,' 'expects,' 'anticipates,' 'estimates,' 'intends,' 'plans,' 'forecasts,' or similar expressions. Forward-looking statements are not guarantees of future performance. These forward-looking statements are based on current expectations that involve numerous risks and uncertainties, including, but not limited to, those identified in the Risks Factors section. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. Priyanka Capital Inc. has no intention and undertakes no obligation to update or revise any forward-looking statements, whether written or oral that may be made by or on the Company's behalf.

## **OFFICERS AND DIRECTORS**

Glen Macdonald	President, CEO& Director
Glen Macdonald	CFO
Glen Indra	Director
Ken Ralfs	Director

### **Contact Address:**

Priyanka Capital Inc.  
Suite 1895 – 1066 West Hastings Street  
Vancouver, British Columbia  
V6E 3X1