

**JUSTIFY CAPITAL CORP.**  
**INTERIM MD&A – QUARTERLY HIGHLIGHTS**  
**FOR THE THREE MONTHS ENDED OCTOBER 31, 2021**

**Background**

This Management Discussion and Analysis – Quarterly Highlights (“Quarterly Highlights”) of for Justify Capital Corp. (“Justify” or the “Company”) is prepared as at December 17, 2021 and should be read in conjunction with the Company’s unaudited condensed interim financial statements for the three months ended October 31, 2021.

The unaudited condensed interim financial statements for the three months ended October 31, 2021 have been prepared in accordance with International Financial Reporting Standard (“IFRS”) and with International Accounting Standard 34, “Interim Financial Reporting”, as issued by the International Accounting Standards Board (“IASB”).

All dollar figures included therein and in the following Quarterly Highlights are quoted in Canadian dollars. Additional information relevant to the Company’s activities can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

The Company was was incorporated on July 28, 2020 under the Business Corporations Act (British Columbia) and is a Capital Pool Company (“CPC”) as defined in the TSX Venture Exchange (“TSX-V”) Policy 2.4 (“Policy 2.4”). As a CPC, the Company’s objective is to identify and acquire either operating assets or a business, subject to regulatory approval, that meet the criteria of a Qualifying Transaction as defined by the TSX-V (“Qualifying Transaction”). Until such time that a Qualifying Transaction is completed, the Company will have no significant revenue and will incur expenses primarily for Qualifying Transaction investigation, TSX-V listing and filing requirements, professional services and office facilities and administration, subject to certain restrictions under Policy 2.4.

On October 15, 2020 the Company completed an initial public offering of common shares (the “IPO”) and is listed on the TSX-V under the symbol “JST.P”.

**Potential Qualifying Transaction**

The Company entered into a definitive agreement (the “Agreement”) on December 6, 2021 for a potential Qualifying Transaction with Everyday People Financial Inc. (“EP”), a Canadian based FinTech company comprised of subsidiaries specializing in credit cards, lending, payment processing, homeownership facilitation and a collections agency. Pursuant to the Agreement, the Company will acquire all issued and outstanding Class A shares in EP for shares in the Company on a 1:1 basis (the “Transaction”). Following the Transaction, the Company will change its name and will assume the operations of EP.

To facilitate the post-Transaction operations of the Company, the Company will continue its corporate existence out of the Province of British Columbia and into the Province of Alberta, and will reconstitute its board of directors to consist of eight directors. While not yet effected,

both the continuation into the Province of Alberta and board reconstitution were approved by the Company's shareholders on November 24, 2021.

The Agreement will terminate if the Transaction is not completed by March 31, 2022. Up to \$250,000 for legal, audit, filing, TSX-V and other Transaction-related services provided to the Company will be paid by EP and have not been recognized as expenses in these condensed interim financial statements. In addition to costs reimbursed by EP, the Company expects to pay \$50,000 to a related party for accounting and corporate services related to the Transaction.

While no further approvals are required by the Company's shareholders, the Transaction is subject to regulatory and other approvals and there is no assurance that it will be completed as proposed or at all.

### **COVID-19 Pandemic**

On March 11, 2020, the World Health Organization declared the COVID-19 coronavirus outbreak a pandemic, which continues to spread globally. As a CPC with no commercial operations, the COVID-19 pandemic has not had a significant impact on the Company's routine operations or on the carrying value of its assets. However, the pandemic's effect on broader capital markets may hinder the Company's ability to identify and complete a Qualifying Transaction.

### **Forward-Looking Statements**

Certain statements contained in the following Quarterly Highlights 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. These risks include, but are not limited to, the Company completing the Transaction or another Qualifying Transaction should the Transaction not be completed, and its ability to maintain sufficient working capital to fund short-term operations should a Qualifying Transaction not be completed on a timely basis. Readers are cautioned not to place undue reliance on these forward-looking statements.

### **Analysis of the Company's Financial Performance and Condition**

The Company reported a \$6,453 net loss for the three months ended October 31, 2021 compared to a \$41,170 net loss for the three months ended October 31, 2020. The decreased net loss in 2021 is primarily the result of a \$37,761 share-based compensation expense recognized on the grant of stock options in the three months ended October 31, 2020. These stock options were fully-vested upon being granted and no equivalent expense is recognized in 2021. Additionally, the Company recognized a net \$11,325 expense recovery in the three months ended October 31, 2021 for the reimbursement of Transaction-related legal services that were expensed by the Company in prior periods.

The reductions in share-based compensation and professional fee expenses in the three months ended October 31, 2021 were partly offset by increased expenses for administrative and corporate services and transfer agent, shareholder communication, listing and filing fees. These increases were a result of the Company being publicly-traded for the entire three-month period ended October 31, 2021, compared to a smaller portion of the three-month period ended October 31, 2020. Additionally, while most expenses related to the Transaction are paid for by EP, the expense for corporate and administrative services includes a \$13,125 interim charge from a related party for Transaction-related services that, pursuant to the Agreement, is payable by the Company.

As at October 31, 2021, the Company had a cash balance of \$187,813 which is sufficient to settle current liabilities of \$1,310 and anticipated short-term cash requirements, but that additional funding may be required to meet long-term requirements should the Transaction or another Qualifying Transaction not be completed on a timely basis.

### **Capital Management**

In the management of capital, the Company defines capital as its shareholders' equity. As at October 31, 2021, the Company's shareholders' equity was \$190,871. The Company's objectives when managing capital are to maintain a low level of on-going operating costs and to continue as a going concern until a Qualifying Transaction can be completed. The Company's current capital was received from the issuance of common shares and will only be sufficient to identify and evaluate a limited number of assets and businesses for the purpose of identifying and completing a Qualifying Transaction.

The Company is not subject to any externally imposed capital requirements other than the expenditure restrictions applicable under Policy 2.4. These expenditure restrictions limit the Company's on-going expenditures to reasonable expenses relating to a proposed Qualifying Transaction, assurance and audit fees, escrow agent and transfer agent fees, regulatory filing fees and a maximum of \$3,000 per month for other general and administrative costs.

### **Related Party Transactions**

The Company is party to a corporate services agreement with Earlston Management Corp. ("Earlston"), whereby Earlston provides various administrative, management and corporate services to the Company for a fee of \$500 per month plus tax and out-of-pocket costs. Earlston is related to the Company by virtue of providing key management services and by having certain directors and officers in common. The Company's expense for administrative and corporate services for the three months ended October 31, 2021 includes \$1,575 (2020 - \$1,575) in such costs incurred with Earlston of which \$525 is included in accounts payable and accrued liabilities as at October 31, 2021 (July 31, 2021 - \$525).

As discussed in under "Potential Qualifying Transaction", herein, pursuant to the Agreement, Earlston will charge up to \$50,000 (plus applicable taxes) for additional services provided to the Company related to the Transaction. During the three months ended October 31, 2021, the Company paid an interim amount of \$13,125 to Earlston for such services, which is included in the expense for administrative and corporate services for the period.