NBS Capital Inc.

Management's Discussion and Analysis

For the year ended June 30, 2020

Dated: October 13, 2020

The following management's discussion and analysis ("MD&A") of the financial condition and results of operations of NBS Capital Inc. (the "Corporation") was prepared by management of the Corporation as at June 30, 2020, and should be read in conjunction with the Corporation's audited annual financial statements and notes thereto for the years then ended June 30, 2020 and 2019 (the "Financial Statements"). Additional information relating to the Corporation is available on SEDAR at **www.sedar.com**.

The Financial Statements have been prepared by management and 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 amounts are expressed in Canadian dollars unless otherwise stated. Other information contained in this document has also been prepared by management and is consistent with the data contained in the Financial Statements.

The Corporation's certifying officers are responsible for ensuring that the annual financial report and MD&A do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made. The Corporation's certifying officers certify that the annual financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the Corporation as the date of and for the periods presented in the interim filings.

The Audit Committee and the Board of Directors provide an oversight role with respect to all public financial disclosures by the Corporation. The Board of Directors approves the Financial Statements and MD&A after the completion of its review and recommendation for approval by the Audit Committee, which meets periodically to review all financial reports, prior to filing.

Forward-Looking Statements

Certain statements contained in this document constitute "forward-looking statements". All statements other than statements of historical fact contained in this MD&A, including, without limitation, those regarding the Corporation's future financial position and results of operations, strategy, proposed acquisitions, plans, objectives, goals and targets, and any statements preceded by, followed by or that include the words "believe", "expect", "aim", "intend", "plan", "continue", "will", "may", "would", "anticipate", "estimate", "forecast", "predict", "project", "seek", "should" or similar expressions or the negative thereof, are forward-looking statements. These statements are not historical facts but instead represent only the Corporation's expectations, estimates and projections regarding future events. These statements are not guarantees of future performance and involve assumptions, risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to risks associated with: limited operating history; no history of earnings or payment of any dividends; unlikely to generate earnings or pay dividends in the immediate or foreseeable future; no current business operations; no current assets other than cash, short term investments and prepaid expenses; ability to complete a qualifying transaction; ability to raise additional funds if required; potential dilution of shares as a result of potential qualifying transaction; reliance on management team; conflicts of interest among certain directors and officers of the Corporation; lack of liquidity for shareholders of the Corporation; and market risk. See "Risks and Uncertainties".

Management provides forward-looking statements because it believes they provide useful information to readers when considering their investment objectives and cautions readers that the information may not be appropriate for other purposes. Consequently, all of the forward-looking statements made in this MD&A are qualified by these cautionary statements and other cautionary statements or factors contained herein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Corporation. These forward-looking statements are made as of the date of this MD&A, and the Corporation assumes no obligation to update or revise them to reflect subsequent information, events or circumstances or otherwise, except as required by law.

The forward-looking statements in this MD&A are based on numerous assumptions regarding the Corporation's present and future business strategies and the environment in which the Corporation will operate in the future, including assumptions regarding business and operating strategies.

Description of the Business

The Corporation is classified as a Capital Pool Company ("CPC") for the purposes of the policies of the TSX Venture Exchange (the "Exchange"). The Corporation obtained a listing of the Corporation's common shares on the Exchange on December 21, 2018 under the stock symbol "NBS.P". The Corporation's business is to identify and evaluate businesses and assets with a view to completing a "Qualifying Transaction" as defined in the policies of the Exchange. Any proposed Qualifying Transaction must be accepted by the Exchange, and in the case of a non-arm's length Qualifying Transaction, is also subject to "majority of the minority approval" in accordance with Policy 2.4 of the Exchange. To date, the Corporation has not conducted commercial operations. While the Corporation has examined and continues to examine, various businesses with a view to completing a Qualifying Transaction, the Corporation is not specifically considering pursuing a company, asset or business in any specific business or industry sector, or in any particular geographical area, and the Corporation anticipates reviewing companies, assets and businesses in a broad range of industry sectors and geographical areas.

Until completion of a Qualifying Transaction, the Corporation will not carry on any business other than the identification and evaluation of businesses or assets with a view to completing a potential Qualifying Transaction. With the consent of the Exchange, this may include the raising of additional funds in order to finance an acquisition. Except as described in the Corporation's final CPC prospectus dated November 27, 2018, the funds raised pursuant to the Corporation's initial public offering and any subsequent financing will be utilized only for the identification and evaluation of potential Qualifying Transaction and not for any deposit, loan or direct investment in a potential acquisition.

The Corporation issued 2,300,000 common shares for an amount of $115,000 and on November 30, 2018 the Corporation's prospectus for an Initial Public Offering ("IPO") of the Corporation's common shares was receipted by the regulatory authorities. The IPO closed on December 17, 2018 and a total of 5,000,000 common shares were issued at a price of $0.10 per common share. The Corporation's shares commenced trading on December 18, 2018 under the symbol NBS.P.

On November 22, 2019, the Corporation entered into a binding letter of intent with Ubook Editora S.A. ("Ubook") and its shareholders (the "Letter of Intent"). In entering into the Letter of Intent, the Corporation intended that the proposed transaction was to constitute its Qualifying Transaction as such term is defined in Corporate Finance Policy 2.4 of the TSX Venture Exchange. The Letter of Intent expired on June 1, 2020 and no agreement has been reached by the Corporation and Ubook either to complete the proposed transaction or to extend the Letter of Intent beyond June 1, 2020. Concerning this transaction, the Corporation incurred additional fees in the year ended June 30, 2020 as compared to the year ended June 30, 2019, particularly with respect to legal, accounting, travel and exchange fees.

The Corporation's head office and registered office is located at 11-300 Earl Grey Drive, Ottawa, ON K2T 1C1.

Selected Financial Information

The Corporation was incorporated under the *Canada Business Corporation Act* on March 1, 2018 and June 30 is the date of its fiscal year-end.

The following selected financial data is derived from the financial statements of the Corporation prepared within acceptable limits of materiality and are in accordance IFRS.

Selected Statement of Financial Position Data

	As at June 30, 2020	As at June 30, 2019
Net working capital	293,363	428,243
Total current assets	324,800	428,243
Total current liabilities	31,437	Nil
Total shareholders' equity	293,363	428,423

Quarterly Information

	Three months ended			
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019
Net loss for the period	(13,871)	(24,120)	(46,156)	(50,733)
Weighted average number of shares	7,300,000	7,300,000	7,300,000	7,300,000
Net loss per share	(0.00)	(0.00)	(0.01)	(0.01)

	Three months ended			
	June 30, 2019	March 31, 2019	December 31, 2018	September 30, 2018
Net loss for the period	(6,679)	(15,858)	(69,383)	(12,214)
Weighted average number of shares	7,300,000	7,300,000	7,300,000	2,300,000
Net loss per share	(0.00)	(0.00)	(0.01)	(0.00)

Selected Statement of loss and Comprehensive loss

The Corporation does not have any operations and will not conduct any business other than the identification and evaluation of business and assets for potential acquisition. The following table sets forth selected results of operations for the year ended June 30, 2020 and 2019.

	Year ended June 30, 2020	Year ended June 30, 2019
Interest Income	5,888	1,795
Expenses	140,768	105,929
Net loss for the period	(134,880)	(104,134)
Basic loss per share	(0.02)	(0.02)

The expenses in the year ended June 30, 2020 were attributable to increased costs incurred in connection with the review of a potential Qualifying Transaction. There were no issued share options in the current year or vesting of previously issued options which resulted in a decrease in the share-based compensation expense of $54,747 for the year ended June 30, 2020 as compared to the year ended June 30, 2019.

Results of Operations

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

During the year ended June 30, 2020, the Corporation recorded a net loss of $134,880 (2019 - $104,134) consisting of $140,768 (2019 - $105,929) in expenses and interest income of $5,888 (2019 - $1,795).

Additional Disclosure for Venture Corporations without Significant Revenue

The following table sets forth a breakdown of material components of the expenses of the Corporation for the year ended June 30, 2020, and the year ended June 30, 2019.

	Year Ended June 30, 2020	Year Ended June 30, 2019
Accounting fees	$19,829	$13,941
Bank charges	$129	$83
Insurance	$5,306	$4,974
Legal fees	$42,121	$12,894
Meals and entertainment	$192	$1,015
Office and general	$17,290	$4,416
Share-based compensation	-	$54,747
Stock exchange fees	$17,194	$9,055
Telecommunications	$119	$107
Transfer agent fees	$4,352	$2,318
Travel	$34,236	$2,379
	$140,768	$105,929

The following table sets forth a breakdown of material components of the expenses of the Corporation for each of the quarters in the year ended June 30, 2020.

	Year ended	Three months ended			
	June 30, 2020	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019
Accounting fees	$19,829	$4,232	-	$8,343	$7,254
Bank charges	$129	$15	$36	$40	$38
Insurance	$5,306	($2,996)	-	$8,302	-
Legal fees	$42,121	$8,136	-	$13,645	$20,340
Meals and entertainment	$192		$97	$95	-
Office and general	$17,290	$6,982	$1,573	$5,364	$3,371
Share-based compensation	$0	-	-	-	-
Stock exchange fees	$17,194	-	$17,194	-	-
Telecommunication	$119	-	$119	-	-
Transfer agent fees	$4,352	$973	$973	$973	$1,433
Travel	$34,236	($2,229)	$5,598	$10,861	$20,006
	$140,768	$15,113	$25,590	$47,623	$52,442

Liquidity, Capital Resources, and Outlook

As of June 30, 2020, the Corporation had working capital of $293,363 (2019 - $428,243). This included $65,763 in cash (2019 - $23,796), $5,224 in prepaid expenses (2019 - $2,817), short term investments of $253,813 (2019 - $401,630), accounts payable and accrued liabilities of $31,437 (2019 - $Nil). Additional equity or debt financing may be required to complete a Qualifying Transaction.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements as of June 30, 2020.

Transactions with Related Parties

The following entities are classified as related parties due to the following:

Related Party	Relationship
Paul Barbeau	President and Director
David Randall Chow	CFO and Director
Patrick André Murphy	Director
Michael Labiak	Director
John Kutkevicius	Director
hyperNET Inc	Controlled by Paul Barbeau

During the year ended June 30, 2020, the Corporation incurred expenses of $8,053 (2019 - $2,345) to a company (hyperNET Inc.) controlled by the President for the provision of services related to bookkeeping, office space, support staff service and hosting. These expenses are categorized under "Office and general" on the Statement of loss and Comprehensive loss. The above transactions are in the normal course of operations.

Critical Accounting Estimates and Policies

The Corporation's significant accounting policies and the adoption of new accounting policies, if any, are disclosed in the financial statements for the year ended June 30, 2020.

Financial Instruments and Other Instruments

The Corporation's financial instruments consist of cash, short-term investments, accounts payable and accrued liabilities. It is management's opinion that the Corporation 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.

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 Corporation:

	Authorized	Outstanding
Voting or equity securities issued and outstanding	Unlimited Common Shares	7,300,000 Common Shares
Securities convertible or exercisable into voting or equity securities – stock options	Directors' and officers' stock options to acquire up to 10% of the outstanding Common Shares	730,000 Stock Options
	Agent's options to acquire up to 500,000 common shares in connection with the initial public offering	500,000 Warrants
Voting or equity securities issuable on conversion or exchange of outstanding securities	(as above)	(as above)

Risks and Uncertainties

The Corporation 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 Corporation will be able to obtain adequate financing to continue operations. The securities of the Corporation should be considered a highly speculative investment. The following risk factors should be given special consideration when evaluating an investment in any of the Corporation's securities:

(a) until completion of a Qualifying Transaction, the Corporation is not permitted to carry on any business other than the identification and evaluation of potential Qualifying Transactions;

(b) the Corporation has only limited funds with which to identify and evaluate potential Qualifying Transactions and there can be no assurance that the Corporation will be able to identify a suitable Qualifying Transaction;

(c) even if a proposed Qualifying Transaction is identified, there can be no assurance that the Corporation will be able to successfully complete the transaction;

(d) the Qualifying Transaction may be financed in all or part by the issuance of additional securities by the Corporation 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 Corporation;

(e) there can be no assurance that an active and liquid market for the Corporation's common shares will develop and an investor may find it difficult to resell its common shares;

(f) upon public announcement of a proposed Qualifying Transaction, trading in the Corporation's common shares will be halted and will remain halted for an indefinite period of time, typically until a Sponsor has been retained and certain preliminary reviews have been conducted. The Corporation's common shares will be reinstated to trading before the Exchange has reviewed the transaction and before the Sponsor has completed its full review. Reinstatement to trading provides no assurance with respect to the merits of the transaction or the likelihood of the Corporation completing the proposed Qualifying Transaction; and

(g) trading in the Corporation's common shares may be halted at other times for other reasons, including for failure by the Corporation to submit documents to the Exchange in the time periods required.

Disclosure Controls and Procedures

Management has designed disclosure controls and procedures to provide reasonable assurance that material information relating to the Corporation is made known to the Chief Executive Officer and the Chief Financial Officer by others within the Corporation, in an accurate and timely manner in order for the Corporation to comply with its continuous disclosure and financial reporting obligations and in order to safeguard assets.

Other Information

Additional information about the Corporation is available on SEDAR at www.sedar.com