

**DATINVEST INTERNATIONAL LTD.**  
**MANAGEMENT DISCUSSION AND ANALYSIS**  
**For the three and six months ended June 30, 2019**

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The following discussion and analysis, prepared as of August 27, 2019, should be read together with the audited financial statements for the year ended December 31, 2018 and related notes attached thereto, which are in accordance with International Financial Reporting Standards. All amounts are stated in Canadian dollars unless otherwise indicated. This Management's Discussion and Analysis ("MD&A") provides relevant information on the operations and financial condition of Datinvest International Ltd. (the "Company") for the period ended June 30, 2019.

**Forward-Looking Statements**

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerable from these statements. Readers are cautioned not to put undue reliance on forward-looking statements. The Company assumes no obligation to update its forward-looking statements to reflect results, changes in assumptions or changes in other factors affecting such statements. Additional information related to Datinvest International Ltd. is available for view on SEDAR at [www.sedar.com](http://www.sedar.com).

**The Company**

The Company has no business or operations and continues to be designated as "Inactive" by the TSX Venture Exchange since September 28, 2001. The Company is currently reviewing new projects. The Company's shares are trading under the symbol DAI.H and are regulated by the NEX polices.

On December 31, 2017, the Company wrote off the advances to Agri Leaf for a total amount of \$37,186.

Effective January 11, 2018, the Company consolidated its shares on a 10 old for 1 new basis.

On January 31, 2018, the Company completed a private placement whereby it issued 4,000,000 units for gross proceeds of \$500,000. Each unit consists of one common share of the Company and one common share purchase warrant entitling the holder to acquire an additional common share at a price of \$0.15 for a period of twelve months. A finder's fee of \$40,000 was paid.

On March 16, 2018, the Company granted 500,000 stock options with an exercise price of \$0.41 and expiring on March 16, 2023.

On January 30, 2019, the Company issued 4,000,000 common shares at a price of \$0.15 per share pursuant to the exercise of warrants.

**Selected Annual Information**

	Years ended December 31,		
	2018	2017	2016
Revenue	\$ -	\$ -	\$ -
Loss of the year before extraordinary items	\$ 352,056	\$ 125,057	\$ 194,970
Basic and Diluted Loss per Share	\$ 0.017	\$ 0.006	\$ 0.010
Loss for the Year	\$ 352,056	\$ 125,057	\$ 194,970
Total Assets	\$ 661,029	\$ 76,793	\$ 205,372
Liabilities (L.T.)	\$ -	\$ -	\$ -
Cash dividends	\$ -	\$ -	\$ -

## **Results of Operations**

### **Results of Operations for the three months ended June 30, 2019 and 2018**

The net loss for the three months ended June 30, 2019 was \$25,529 compared to \$35,377 for the same period in 2018, representing a decrease of \$9,848. The decrease was a primarily a result of a reduction in consulting fees of \$5,000 and professional fees of \$4,316.

The net losses during the three months ended June 30, 2019 and 2018 are summarized below:

	2019		2018	
Consulting fee	\$	15,000	\$	20,000
Office		120		77
Professional fees		4,719		9,035
Transfer agent & filing fees		5,128		6,265
Other loss		562		-
Net loss for the period	\$	25,529	\$	35,377

### **Results of Operations for the six months ended June 30, 2019 and 2018**

The net loss for the six months ended June 30, 2019 was \$45,228 compared to \$288,430 for the same period in 2018, representing a decrease of \$243,202. The decrease was a primarily a result of the Company issuing stock options in the comparative period resulting in an expense of \$202,842. In addition, the Company incurred decreases in consulting fees of \$20,000, professional fees of \$9,215, transfer agent and filing fees of \$10,409.

The net losses during the six months ended June 30, 2019 and 2018 are summarized below:

	2019		2018	
Consulting fee	\$	30,000	\$	50,000
Office		221		144
Stock based compensation		-		202,842
Professional fees		7,162		16,377
Transfer agent & filing fees		8,658		19,067
Other (income)		(813)		-
Net loss for the period	\$	45,228	\$	288,430

## **Summary of Quarterly Results**

	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2	2018 Q1	2017 Q4	2017 Q3
Total revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loss for the Period before extraordinary items	\$ 25,529	\$ 19,699	\$ 28,316	\$ 35,310	\$ 35,377	\$ 253,053	\$ 69,087	\$ 16,811
Basic Loss per Share	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.01	\$ 0.01	\$ 0.00	\$ 0.00	\$ 0.00
Diluted Loss per Share	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.01	\$ 0.01	\$ 0.00	\$ 0.00	\$ 0.00
Loss for the Period	\$ 25,529	\$ 19,699	\$ 28,316	\$ 35,310	\$ 35,377	\$ 253,053	\$ 69,087	\$ 16,811
Basic Loss per Share	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Diluted Loss per Share	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

*The March 31, 2018 loss included a \$202,842 expense for stock based compensation.*

*The December 31, 2017 loss included a \$37,186 write-off of loans receivable.*

## **Liquidity and Capital Resources**

### **Working Capital**

As at June 30, 2019, the Company has a working capital surplus of \$911,409 (December 31, 2018: \$356,637) and deficit of \$3,696,932 (December 31, 2018: \$3,651,704).

The Company has no commitment for capital expenditures as of August 27, 2019.

### **Cash and Cash Equivalents**

On June 30, 2019 the Company had cash of \$930,922 (December 31, 2018 - \$380,280).

### **Cash Used in Operating Activities**

Cash used by operating activities during the six months ended June 30, 2019 was \$49,358 (2018: \$99,726) due to the operating expenditures. Cash was mostly spent on management fees, consulting fees, professional fees, office, and transfer agent and filing fees.

### **Cash Used from Financing Activities**

Cash from financing activities during the six months ended June 30, 2019 was \$600,000 (2018: \$460,000) and resulted from the issuance of 4,000,000 common shares at a price of \$0.15 pursuant to the exercise of share purchase warrants.

## **Going Concern**

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards 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 these 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 as at June 30, 2019 the Company had not yet achieved profitable operations, has accumulated losses of \$3,696,932 since its inception, a working capital surplus of \$911,409 (December 31, 2018: \$356,637) and expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent on 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 become due.

## **Off-Balance Sheet Arrangements**

The Company is not committed to any off-balance sheet arrangements.

## **Financing Activities**

On January 31, 2018, the Company completed a private placement of 4,000,000 units at a price of \$0.125 per unit for gross proceeds of \$500,000. Each unit consists of one common share of the Company and one transferable common share purchase warrant entitling the holder to acquire an additional common share at a price of \$0.15 for a period of twelve months. All of the securities issued under the private placement are subject to a four-month hold period. A finder's fee of \$40,000 was paid.

On January 30, 2019, the Company issued 4,000,000 common shares at a price of \$0.15 per share pursuant to the exercise of warrants.

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### **Outstanding Share Data as August 27, 2019**

9,979,310 Common Shares (after consolidation of 10 to 1 common shares)

Warrants: None.

Stock Options: 500,000 exercisable at \$0.41 expiring March 16, 2023

### **Proposed Transactions**

There are no proposed transactions that the Company has not previously disclosed.

### **Critical Accounting Estimates, Judgments and Uncertainties**

The Company makes estimates about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

### **Critical Accounting Estimates and Assumptions**

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amount of assets and liabilities within the next financial year.

### **Critical Accounting Judgments**

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments.

#### *Recovery of deferred tax assets*

Judgment is required in determining whether deferred tax assets are recognized in the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future periods, in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the date of the statement of financial position could be impacted.

Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods.

The Company has not recorded any deferred tax assets.

### **Transactions with Related Parties**

None.

### **Recent Accounting Pronouncements**

#### **New or revised standards and amendments to existing standards not yet effective**

The Company has adopted the following new accounting standard and interpretation:

IFRS 16, Leases (effective January 1, 2019) introduced new requirements for the classification and measurement of leases. Under IFRS 16, a lessee no longer classifies leases as operating or financing and records all leases on the condensed consolidated statement of financial position, unless the lease term is 12 months or less or the underlying asset has a low value. The Company has applied a modified retrospective transition approach. The Company does not have any leases, and as a result, this standard had no impact on the Company's financial statements on adoption.

IFRIC 23, Uncertainty over Income Tax Treatments (effective January 1, 2019) provides guidance when there is uncertainty over income tax treatments including, but not limited to, whether uncertain tax treatments should be considered separately; assumptions made about the examination of tax treatments by tax authorities; the determination of taxable profit, tax bases, unused tax losses, unused tax credits, and tax rates; and, the impact of changes in facts and circumstances. This interpretation did not have an impact on the Company's financial statements.

### **Management Responsibility**

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible to ensure that information disclosed externally, including the financial statements and Management Discussion and Analysis (MD&A), is complete and reliable.

Management has evaluated the effectiveness of the Company's disclosure controls and procedures and has concluded that they are operating effectively. It is important to recognize that the Company has very limited administrative staffing. As a result, internal controls which rely on segregation of duties in many cases are not appropriate or possible. The Company relies heavily on senior management review and approval to ensure that the controls are as effective as possible.