

# **P2P INFO INC.**

(the "Company")

## **MANAGEMENT DISCUSSION AND ANALYSIS**

For the Period from Incorporation on September 29, 2014 to March 31, 2015

The following Management Discussion and Analysis ("MD&A") has been prepared by management as of April 24, 2015, should be read in conjunction with the condensed interim consolidated financial statements and related notes of the Company for the period from incorporation on September 29, 2014 to March 31, 2015. The condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All amounts are stated in Canadian dollars unless otherwise indicated.

### **FORWARD LOOKING STATEMENTS**

This MD&A contains certain forward-looking information and statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions as at the date of this MD&A. The words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "interprets", "may", "will" and similar expressions identify forward-looking statements. The forward-looking statements reflect the current beliefs of the management of the Company, and are based on currently available information. Readers are cautioned not to place undue reliance on these statements as they are subject to known and unknown risks, uncertainties and other factors, which could cause the actual results, performance, or achievements of the Company to differ materially from those expressed in, or implied by, such forward-looking statements. The Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason.

### **OVERVIEW**

P2P Info Inc. (the "Company" or "P2P") was incorporated on September 29, 2014 under the laws of British Columbia, Canada and maintains its head office at Suite 1552, 701 West Georgia Street, Vancouver, British Columbia, Canada V7Y 1C6. Its registered office is located at Suite 800 – 885 West Georgia Street, Vancouver, British Columbia V6C 3H1. The Company was incorporated as a wholly-owned subsidiary of Cascadia Consumer Electronics Corp. ("Cascadia") for the purposes of a re-organization of Cascadia pursuant to a plan of arrangement ("Plan of Arrangement") under the Business Corporation Act of British Columbia. The Plan of Arrangement became effective on November 28, 2014. The Company becomes a reporting issuer in the province of British Columbia, Alberta and Ontario on November 28, 2014. The principal business of the Company is the identification, evaluation and acquisition of business. As at November 28, 2014, the equivalent share price of the Company is \$0.02.

On January 29, 2015, the Company incorporated its wholly-owned subsidiary 0126195 BC Ltd. ("0126195") under the laws of British Columbia.

On January 29, 2015, the Company completed a non-brokered private placement financing by issuing 1,518,000 common shares in the capital of the Company at a price of \$0.02 per common share, for aggregate proceeds of \$30,360. Management anticipates that the proceeds of the offering will be for working capital.

## DISCUSSION OF OPERATIONS

The Company is currently in the process of exploring different business opportunities organically.

During the period from incorporation on September 29, 2014 to March 31, 2015, the Company reported a net loss of \$90,546. This loss was mainly attributable to:

1. The administrative expense of \$51,113 is the reimbursement to Cascadia, a company listed on the CSE, which has common directors and officers, for professional fees and office expenses related to spin-off process;
2. Listing and transfer agent expenses of \$4,130 due to the transfer agent service fee after the Company became a reporting issuer;
3. Payroll expenses \$19,756 is salary to the key management directors in current period;
4. \$13,309 in professional fees related to legal services and auditing services for spin-off process;
5. The Company shares its office equally with Cascadia and incurred \$1,459 rental expense up to March 31, 2015.

## SUMMARY OF QUARTERLY RESULTS

The following financial information for the Company has been derived from the Company's financial statements for the period from incorporation on September 29, 2014 to March 31, 2015.

	(\$)
Revenues	-
Income (loss) from continuing operations	(90,546)
Net income (loss)	(90,546)
Income (loss) from continuing operations per share - basic and diluted	(0.04)
Net loss (loss) per share - basic and diluted	(0.04)

## LIQUIDITY AND CAPITAL RESOURCES

During the period from incorporation on September 29, 2014 to March 31, 2015, the cash balance increased by \$2,370. The Company received \$58,870 as at spin-off effective day November 28, 2014 by the POA agreement, and received \$30,360 by the private placement completed on January 29, 2015 for 1,518,000 shares. The Company used the working capital to pay various general operating expenses during this period. The net effect of the above transactions is cash increased by \$2,370.

### Going Concern

The Company has incurred losses since its inception and has an accumulated deficit of \$90,546 as at March 31, 2015. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon obtaining additional financing or maintaining continued support from its shareholders and creditors, identifying and acquiring businesses or assets, and generating profitable operations in the future, which raises doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

## OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

## RELATED PARTY TRANSACTIONS

- a) The following expenses to key management personnel of the Company:

		Period from incorporation on September 29, 2014 to March 31, 2015
		\$
Salaries and benefits	Directors	18,604

Key management includes directors, the Executive Officers of the Company.

- b) The Company reimbursed professional fees and office expenses \$51,113 related to Plan of Arrangement transaction to Cascadia, a company listed on the CSE, which has common directors and officers.
- c) The Company reimbursed Cascadia rent for shared office \$1,459.

## DIRECTORS AND OFFICERS

Ying Zhou	CEO and Director, Chair of Audit Committee
Qing Zhu	Director, Member of Audit Committee
Yan Zhang	Chief Financial Officer, Corporate Secretary, and Director

## OUTSTANDING SHARE DATA AS AT April 24, 2015

	Number outstanding	Share Price
Common shares (November 28, 2014)	2,943,500	\$0.02
Common shares (January 29, 2015)	1,518,000	\$0.02
<b>Total common shares</b>	<b>4,461,500</b>	

## CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

These unaudited condensed interim consolidated financial statements ("condensed interim consolidated financial statements") are in compliance with International Accounting Standard 34, Condensed interim consolidated financial Reporting ("IAS 34"). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), have been omitted or condensed. These condensed interim consolidated financial statements should be read in conjunction with the Company's consolidated financial statements for the year ended September 30, 2014.

The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and revenues and expenses for the years reported. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Significant areas requiring the use of management estimates include the determination of deferred income tax assets and liabilities, and assumptions used in valuing options in share-based compensation calculations. Actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Critical accounting judgements are accounting policies that have been identified as being complex or involve subjective judgments or assessments with a significant risk of material adjustment in the next year. A significant use of judgement is the ability of the Company to continue as a going concern.

## **FINANCIAL INSTRUMENTS**

The Company classifies its cash and cash equivalents as a financial asset at fair value through profit and loss ("FVTPL"), and its accounts payable as other financial liabilities. The carrying amount of financial liabilities carried at amortized cost is a reasonable approximation of fair value due to the relatively short period to maturity of these financial instruments.

### **Fair value**

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy based on the degree to which the inputs used to determine the fair value are observable. The three levels of the fair value hierarchy are:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Cash and cash equivalents of \$2,370 is classified as Level 1.

There were no transfers into or out of Level 2 and Level 3 during the year.

### **Financial risk management**

The Company's financial risks arising from its financial instruments are credit risk, liquidity risk, and interest rate risk. The Company's exposure to these risks and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

#### *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and its current exposure to exchange rate fluctuations is minimal. The Company does not have any foreign currency denominated monetary liabilities.

#### *Credit risk*

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents. The Company's credit risk with respect to its cash is minimal as it is held with a quality financial institution.

#### *Liquidity risk*

Liquidity risk is the risk that the Company will not meet its obligations associated with its financial liabilities as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations. As at March 31, 2015, the Company had a working capital deficit of \$1,316. All of the Company's financial liabilities are classified as current.

### *Interest rate risk*

The Company has not entered into any derivative instruments to manage interest rate fluctuations. The Company does not have significant interest rate risk.

## **CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION**

### **Changes in accounting policy**

Effective October 1, 2014, the Company adopted the following new accounting standards and interpretations. The Company determined that the adoption of these standards and interpretations did not result in any material changes in the financial statements.

**IFRS 10 Consolidated Financial Statements** - IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

**IAS 32 Financial Instruments: Presentation** – In December 2011, the IASB issued an amendment to clarify the meaning of the offsetting criterion and the principle behind net settlement, including identifying when some gross settlement systems may be considered equivalent to net settlement. Earlier application is permitted when applied with corresponding amendment to IFRS 7.

**IAS 1 Presentation of Financial Statements** – IAS 1 has been amended to require entities to separate items presented in other comprehensive income (“OCI”) into two groups, based on whether or not items may be recycled to net income in the future. Entities that choose to present OCI items before tax will be required to show the amount of tax related to the two groups separately including prior year comparatives.

### **New accounting standards issued but not yet effective**

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB or the International Financial Reporting Interpretations Committee (“IFRIC”) that are mandatory for future accounting periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

The following standard will be effective for annual periods beginning on or after January 1, 2016:

**IAS 1 Presentation of Financial Statements** – In December 2014, the IASB issued an amendment to address perceived impediments to preparers exercising their judgment in presenting their financial reports. The changes clarify that materiality considerations apply to all parts of the financial statements and the aggregation and disaggregation of line items within the financial statements.

The following standard will be effective for annual periods beginning on or after January 1, 2018:

**IFRS 9 Financial Instruments** - In November 2009, as part of the IASB project to replace IAS 39 *Financial Instruments: Recognition and Measurement*, the IASB issued the first phase of IFRS 9 *Financial Instruments* that introduces new requirements for the classification and measurement of financial assets. The standard was revised in October 2010 to include requirements regarding classification and measurement of financial liabilities. In November 2013 the standard was revised to add the new general hedge accounting requirements. The standard was finalized in July 2014 and was revised to add a new expected loss impairment model and amends the classification and measurement model for financial assets by adding a new fair value through other comprehensive income (FVOTCI) category for certain debt instruments and additional guidance on how to apply the business model and contractual cash flow characteristics test.

The extent of the impact of adoption of these standards and interpretations on the consolidated financial statements of the Company has not been determined.

## **ADDITIONAL INFORMATION**

Additional information concerning the Company and its operations is available on SEDAR at [www.sedar.com](http://www.sedar.com).

**APPROVAL**

The Board of Directors of P2P Info Inc. has approved the contents of this management discussion and analysis on April 24, 2015. A copy of this MD&A together with the Company's condensed interim consolidated financial statements for the period from incorporation on September 29, 2014 to March 31, 2015 will be provided to anyone who requests it.