MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
as of November 29, 2019

For the three and nine months ended September 30, 2019

This management's discussion and analysis ("**MD&A**") of Softlab9 Software Solutions Inc. (formerly APPx Group Holdings Inc.) (the "**Company**" or "**SOFT**") is for the three and nine months ended September 30, 2019 and is performed by management using information available as of August 29, 2019. We have prepared this MD&A with reference to National Instrument 51-102 – *Continuous Disclosure Obligations* of the Canadian Securities Administrators. This MD&A should be read in conjunction with the Company's unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2019, and the related notes thereto ("**Interim Financial Statements**") as well as the audited consolidated financial statements for the year ended December 31, 2018 ("**Annual Financial Statements**"). The Company's Interim Financial Statements and Annual Financial Statements are prepared in accordance with International Financial Reporting Standards ("**IFRS**"). All amounts are expressed in Canadian dollars unless otherwise indicated.

This MD&A contains certain "forward-looking statements" and certain "forward-looking information" as defined under applicable Canadian securities laws that may not be based on historical fact, including, without limitation, statements containing the words "believe", "may", "plan", "will", "estimate", "continue", "anticipate", "intend", "expect" and similar expressions. Forward-looking statements are necessarily based on estimates and assumptions made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as the factors we believe are appropriate. Forward-looking statements in this MD&A include but are not limited to statements relating to:

- *our ability to obtain funding for our operations, including funding for research and commercial activities;*
- *the initiation, timing, cost, progress and success of our research and development programs;*
- *our business model and strategic plans;*
- *our ability to develop and commercialize mobile and/or blockchain applications candidates to market;*
- *our ability to recruit sufficient numbers of programmers and developers;*
- *our ability to achieve profitability;*
- *our ability to establish and maintain relationships with collaborators with acceptable development, regulatory and commercialization expertise and the benefits to be derived from such collaborative efforts;*
- *the implementation of our business model and strategic plans;*
- *our ability to protect our intellectual property and operate our business without infringing upon the intellectual property rights of others;*
- *our expectations regarding federal, provincial and foreign regulatory requirements;*
- *whether we will receive, and the timing and costs of obtaining, regulatory approvals in the United States, Canada, the European Union and other jurisdictions;*
- *the accuracy of our estimates of the size and characteristics of the markets that may be addressed by our development projects;*
- *the rate and degree of market acceptance of our future marketed applications, if any;*
- *the timing of, and our ability and our collaborators' ability, if any, to obtain and maintain regulatory approvals for our product candidates;*
- *our expectations regarding market risk, including interest rate changes and foreign currency fluctuations;*
- *our ability to engage and retain the employees required to grow our business;*
- *the compensation that is expected to be paid to employees and consultants of the Company;*
- *our future financial performance and projected expenditures;*
- *developments relating to our competitors and our industry, including the success of competing applications that are or become available; and*

- *estimates of our expenses, capital requirements and our needs for additional financing.*

Such statements reflect our current views with respect to future events and are subject to risks and uncertainties and are necessarily based upon a number of estimates and assumptions that, while considered reasonable by SOFT, are inherently subject to significant business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause our actual results, performance or achievements to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements. In making the forward-looking statements included in this MD&A, the Company has made various material assumptions, including, but not limited to: (i) obtaining positive results from testing; (ii) obtaining enough customers to create market; (iii) general business and economic conditions; (iv) the availability of financing on reasonable terms; (v) the Company's ability to attract and retain skilled staff; (vi) market competition; (vii) the products and technology offered by the Company's competitors; and (viii) the Company's ability to protect proprietary rights

In evaluating forward-looking statements, current and prospective shareholders should specifically consider various factors, including the risks outlined below under the heading "Financial Instruments and Risks". Should one or more of these risks or uncertainties, or a risk that is not currently known to us materialize, or should assumptions underlying those forward-looking statements prove incorrect, actual results may vary materially from those described herein. These forward-looking statements are made as of the date of this MD&A and we do not intend, and do not assume any obligation, to update these forward-looking statements, except as required by applicable securities laws. Investors are cautioned that forward-looking statements are not guarantees of future performance and are inherently uncertain. Accordingly, investors are cautioned not to put undue reliance on forward-looking statements.

OVERVIEW

SOFT is a public company listed on the Canadian Securities Exchange as of November 1, 2018 under the stock symbol "SOFT" and on the Frankfurt Stock Exchange effective November 29, 2018 under the stock symbol "APO1". The Company is a technology incubator, specializing in launching, acquiring and vertically integrating technology companies. The Company incubates multiple mobile technologies internally while providing engineering, capital, executive management and strategic development services. The Company's head office is located at Suite 605 – 815 Hornby Street, Vancouver, B.C. V6Z 2E6

The Company was incorporated as CDN BVentures Ltd. on October 30, 2014 under the Business Corporations Act (British Columbia) as a wholly-owned subsidiary of a reporting issuer, Web Watcher Systems Ltd. ("Web Watcher"). On December 9, 2014, Web Watcher entered into an arrangement agreement (the "Arrangement Agreement") with the Company.

Under the terms of the Arrangement Agreement, Web Watcher was to complete a plan of arrangement which would divest Web Watcher of the asset consisting of a letter of intent, which would be divested to the Company for consideration of 73,859 common shares of the Company. Web Watcher received shareholder approval for the Arrangement Agreement at an annual general and special meeting of shareholders held on January 29, 2015 and received final approval to the Arrangement Agreement from the Supreme Court of British Columbia on February 5, 2015. The Arrangement Agreement was completed on October 24, 2017.

On October 26, 2017, SOFT entered into a share exchange agreement (the "**Exchange**") with Appature Technologies Inc. ("**ATI**").

Under the terms of the Exchange, The Company issued 1,023,651 common shares in exchange for the equivalent number of issued and outstanding shares of ATI, which represents 90.56% ownership of ATI. As a result of the Exchange, the shareholders of ATI own 93.3% of SOFT. SOFT's board of directors and senior management were reconstituted and consist of the directors and senior management of ATI. Given the majority ownership of the common shares of the Company and the majority representation on the Company's Board of Directors are held by the former shareholders of ATI, ATI has the power to govern the financial and operating policies so as to obtain benefits from the activities of the Company. The Exchange constitutes a reverse acquisition where ATI is considered the accounting acquirer of SOFT.

On March 2, 2018, the Company completed a share exchange agreement (the "**Transaction**") with RewardDrop Software Inc. ("RSI") was incorporated was incorporated under the Canada Business Corporation Act as a private company on August 22, 2017. The Transaction constitutes a reverse acquisition where RSI is considered the accounting acquirer of SOFT. As a result of reverse acquisition accounting, the financial information contained herein represent a continuation of RSI's financial statements and the acquisition of the Company

Under the terms of the Transaction, the Company issued 2,564,103 common shares in exchange for 150 of issued and outstanding shares of RewardDrop Software Inc., which represents 100% ownership of RSI. As a result of the Transaction, the shareholders of RSI own 68.2% of SOFT.

GROWTH STRATEGY

The Company is reviewing potential transactions to determine the best opportunity to maximize shareholder value.

HIGHLIGHTS

On January 2, 2019, the Company announced the appointment of two new members to its Advisory Board, Paul Platte and Benjamin Laurendeau.

On March 1, 2019 the Company announced it will be completing a share consolidation on the basis of 1 post-consolidation common share for every 1.5 pre-consolidation common shares. The Company also announced that it has changed its name to Softlab9 Software Solutions Inc. and its CSE symbol to "SOFT". The Company continues to be a Fintech incubator as well as a Software Development company and has moved away from the crypto and blockchain space.

On March 6, 2019, the Company announced the effective date of the share consolidation and name change effective at the opening of trading hours on March 6, 2019.

On March 12, 2019, the Company announced it has signed an agreement to develop an Information Technology Mobile App with cybersecurity expert, Terry Cutler.

On May 15, 2019, the former Chief Information Officer and Chief Technology Officer voluntarily cancelled all of the common shares held in each of their names. A total number of 20,154,444 common shares were cancelled.

On June 5, 2019, the Company announced it entered into an Exclusivity Agreement with A&R Development Ltd. Please see Growth Strategy for more details.

On August 29, 2019, the Company announced the effective date of the share consolidation effective at the opening of trading hours on August 29, 2019.

On September 3, 2019, the Company announced it will no longer be proceeding with the potential transactions with A&R Development Ltd.

OVERALL PERFORMANCE

Since inception, the Company has accumulated a deficit of $6,698,463 as at September 30, 2019. SOFT expects its operating losses to continue into the next fiscal year as it continues to develop its portfolio of technologies.

The Company has funded its operations with proceeds from equity financings and expects to seek additional funding through equity financings to finance its growth initiatives. However, if SOFT application development and ability to commercialize applications does not show progress, or if capital market conditions in general or with respect to the sector or development stage companies such as SOFT are unfavorable, its ability to obtain additional funding will be adversely affected.

QUARTERLY FINANCIAL INFORMATION

The following table summarizes selected unaudited consolidated financial data for each of the last eight fiscal quarters, prepared in accordance with IFRS:

Quarter ended	Revenue $	Net Income (Loss) $	Loss per share $
December 31, 2017 (“**Q4 2017**”)	--	(259,688)	(2,596.88)
March 31, 2018 (“**Q1 2018**”)	--	101,444	0.01
June 30, 2018 (“**Q2 2018**”)	11	(1,726,918)	(0.03)
September 30, 2018 (“**Q3 2018**”)	33	(614,613)	(0.01)
December 31, 2018 (“**Q4 2018**”)	--	(2,810,823)	(0.05)
March 31, 2019 (“**Q1 2019**”)	--	(927,670)	(0.01)
June 30, 2019 (“**Q2 2019**”)	--	(298,072)	(0.00)
September 30, 2019 (“**Q3 2019**”)	--	(149,770)	(0.00)

The Company has been in operations since August 22, 2017. Subsequent to closing the Transaction and financings in Q1 2018, the Company has invested in research and development projects and administrative support for these projects. Furthermore, the Company has been working on its listing application which has driven professional fee spend through Q1 and Q2 2018. The Company incurred an impairment on goodwill during Q2 2018 and Q4 2018 on share exchange agreements it entered into. Q2 to Q4 2018 spend consisted of mainly research and development related spend. Finally, general and administrative spend has increased as the Company is proceeding with business development spend.

DISCUSSION OF OPERATIONS

The Company recorded a net loss of $149,770 ($0.03 per Common Share) in Q3 2019 and $1,375,531 in the nine months ended September 30, 2019 ($0.27 per Common Share) ("**YTD 2019**"). This is compared to net loss of $612,431 ($0.12 per Common Share) in Q3 2018 and $2,240,088 ($0.05 per Common Share) in the nine months ended September 30, 2018 ("**YTD 2018**").

The following provides an overview of the financial results in Q3 2019:

- Advertising and promotion - $nil (Q3 2018 – $60,380)
  - Includes costs associated with advertising and marketing fees related to CatchCoin and Fin Tech related projects.
- Consulting and management fees - $114,550 (Q3 2018 – $86,552)
  - Includes fees paid to Chief Executive Officer, Chief Financial Officer and the former President of the Company as well as other administrative and business development consultants providing support to operations.
- General and administrative fees - $10,736 (Q3 2018 - $143,013)
  - Includes office costs and administrative overhead as well as wages paid to the former Chief Technology Officer and employees working on business development initiatives.
- Professional fees - $4,148 (Q3 2018 - $107,709)
  - Includes audit and legal costs incurred to date as the Company worked toward public listing on the Canadian Securities Exchange and general corporate securities support
- Research and development costs – nil (Q3 2018 - $174,958)
  - Includes fees paid to the former President and current Director, former Chief Technology Officer as well as some mobile application development subcontractors and employees. Expenses relate to internal research and development projects such as Catchcoin and Fin Tech related projects.

The following provides an overview of the financial results in YTD 2019:

- Advertising and promotion - $60,380 (YTD 2018 – $134,792)
  - Includes costs associated with advertising and marketing fees related to CatchCoin and Fin Tech related projects.
- Consulting and management fees - $419,669 (YTD 2018 – $181,240)
  - Includes fees paid to Chief Executive Officer, Chief Financial Officer and the former President of the Company as well as other administrative and business development consultants providing support to operations.
- General and administrative fees - $143,013 (YTD 2018 - $261,329)
  - Includes office costs and administrative overhead as well as wages paid to the former Chief Technology Officer and employees working on business development initiatives.
- Professional fees - $37,380 (YTD 2018 - $229,535)
  - Includes audit and legal costs incurred to date as the Company worked toward public listing on the Canadian Securities Exchange and general corporate securities support
- Research and development costs – $62,507 (YTD 2018 - $361,453)
  - Includes fees paid to the former President and current Director, former Chief Technology Officer as well as some mobile application development subcontractors and employees. Expenses relate to internal research and development projects such as Catchcoin and Fin Tech related projects.
- Other Loss - $0 (YTD 2018 - $1,021,553)
  - Includes an impairment of goodwill related to the reclassification of mobile applications from intangible assets to available for sale assets. Furthermore, the available for sale assets were written down to their fair value. These were offset a forgiveness of debt of $275,180.

Sources and Uses of Cash

	YTD 2019 $	YTD 2018 $
Cash used in operating activities	(196,043)	(1,357,231)
Cash provided by investing activities	—	376,366
Cash provided by financing activities	137,000	1,707,642
Net (decrease) increase in cash	(59,043)	726,778

As at September 30, 2019 the Company has $31 in cash compared to $59,074 as at December 31, 2018.

The Company has working capital deficit of $580,424 at September 30, 2019 compared to a working capital deficit of $117,547 as at December 31, 2018.

The Company has not pledged any of its assets as security for loans, or otherwise and is not subject to any debt covenants. Management believes that the Company will require additional working capital to meet its primary business objectives over the next 12 months.

Since the Company will not be able to generate cash from its operations in the foreseeable future, the Company will have to rely on fiscal management and funding through future equity issuances and through short term borrowing in order to fund ongoing operations and to meet its obligations. The ability of the Company to raise capital will depend on market conditions and it may not be possible for the Company to issue shares on acceptable terms or at all.

OUTSTANDING SHARE CAPITAL

As of November 29, 2019, there were 8,111,565 Common Shares issued and outstanding and other securities convertible into Common Shares as summarized in the following table.

	Number Outstanding as of November 29, 2019	Number Outstanding as of September 30, 2019
Common Shares issued and outstanding (1)	8,111,565	7,003,232
Options (2) (3) (4)	480,000	482,052

(1) On October 21, 2019, the Company 1,008,333 of common shares pursuant to a debt settlement agreement on $121,000 of debt.

(2) On October 25, 2019, the Company issued 580,000 stock options at an exercise price of $0.12 expiring October 25, 2021.

(3) Subsequent to quarter end, 100,000 stock options were exercised for proceeds of $12,000

(4) Subsequent to quarter end, the Company cancelled 482,052 stock options.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no undisclosed off-balance sheet arrangements that have or are reasonably likely to have, a current or future effect on its results of operations, financial condition, revenues or expenses, liquidity, capital expenditures or capital resources that is material to investors.

RELATED PARTY TRANSACTIONS

During the three and nine months ended September 30, 2019, the Company incurred $20,000 and $80,000 (2018 - $30,000 and $70,000) respectively, in consulting and management fees to a company controlled by the Chief Executive Officer of the Company ("CEO"). As at September 30, 2019, the Company owed $nil (December 31, 2018 - $5,250) to a company controlled by the CEO and $2,904 (December 31, 2018 - $799) to the CEO which is included in accounts payable and accrued liabilities. The amounts owed are unsecured, non-interest bearing and due on demand.

During the three and nine months ended September 30, 2019, the Company incurred $nil and $15,000 (2018 – $18,948 and $40,654), respectively, in consulting and management fees, and $nil and $15,000 (2018 – $18,948 and $40,654), respectively, in research and development fees to a company controlled by the former President. As at September 30, 2019 the Company owed $6,970 (December 31, 2018 - $nil) to the company controlled by the former President included in accounts payable and accrued liabilities. The amounts owed are unsecured, non-interest bearing, and due on demand. During the nine months ended September 30, 2018, $50,032 owed to this company was forgiven.

During the nine months ended September 30, 2018, $79,349 owed to the former President of the Company was forgiven pursuant to a debt settlement agreement.

During the three and nine months ended September 30, 2019, the Company incurred $nil and $nil (2018 - $15,000 and $35,000), respectively, in research and development fees and $nil and $nil (2018 - $15,000 and $35,000), respectively, in general and administrative costs to the former Chief Technology Officer ("CTO") of the Company. During the nine months ended September 30, 2018, the total amount of $54,150 owed to the CTO of the Company was forgiven pursuant to a debt settlement agreement.

During the three and nine months ended September 30, 2019, the Company incurred $nil and $nil (2018 - $20,000 and $25,000), respectively, in research and development fees and $nil and $5,000 (2018- $nil and $5,000), respectively, in advertising and promotion fees to the former Chief Information Officer ("CIO") of the Company. During the nine months ended September 30, 2018, the amount of $91,650 owed to the CIO of the Company was forgiven.

During the three and nine months ended September 30, 2019, the Company incurred $20,000 and $74,000 (2018 - $12,000 and $40,000), respectively, in consulting and management fees to a company controlled by the Chief Financial Officer of the Company. As at September 30, 2019 the Company owed $23,738 (December 31, 2018 - $nil) to a company controlled by the CFO which is included in accounts payable and accrued liabilities. The amounts owed are unsecured, non-interest bearing and due on demand.

During the three and nine months ended September 30, 2019, the Company incurred $nil and $10,000 (2018 - $nil and $nil) respectively, in consulting and management fees to a Director of the Company.

FINANCIAL INSTRUMENTS AND RISKS

The Company's financial instruments are exposed to the following risks:

FINANCIAL INSTRUMENTS AND RISKS

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Balance, September 30, 2019 $
Cash	31	–	–	31

The fair value of other financial instruments, which included accounts receivable, accounts payable and accrued liabilities approximate their carrying values due to the relatively short-term maturity of these instruments.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company’s exposure to credit risk is the carrying value of cash and amounts receivable. The Company reduces its credit risk by holding its cash at a major Canadian financial institution. Amounts receivable consist of GST receivable and QST Receivable from the Government of Canada and Revenue Quebec. The carrying amount of financial assets represents the maximum credit exposure.

Foreign Exchange Rate and Interest rate risk

The Company is not exposed to any significant foreign exchange rate or interest rate risk.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. To secure the additional capital necessary to pursue these plans, the Company may have to raise additional funds through equity or debt financing.

As at September 30, 2019, the Company had cash of $31 and accounts payable and accrued liabilities of $595,163. All accounts payable and accrued liabilities are due within 90 days.

Price Risk

The Company is not exposed to any significant price risk.

[d] Additional risk factors

Liquidity of common shares

There is no guarantee that there will be a resale market for the common shares. The common shares are not listed on a public stock exchange and therefore, are not as readily available to liquidate in the event a shareholder would like to sell as a common share for a public company listed on a stock exchange.

Positive Return in an Investment in the Common Shares of the Company is Not Guaranteed

There is no guarantee that an investment in the Company will earn any positive return in the short term or long term. A purchase of the shares involves a high degree of risk and should be undertaken only by purchasers whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. An investment in the Common Shares is appropriate only for purchasers who have the capacity to absorb a loss of some or all of their investment.

Dilution

The Company may issue additional securities in the future, which may dilute a shareholder's holdings in the Company. The Company's articles permit the issuance of an unlimited number of Common Shares and Class A preferred shares. The Company's shareholders do not have pre-emptive rights in connection with any future issuances of securities by the Company. The directors of the Company have discretion to determine the price and the terms of further issuances. Moreover, additional Common Shares will be issued by the Company on the exercise of stock options under the Company's stock option plan and upon the exercise of outstanding warrants.

Negative Cash Flow from Operations

During YTD 2019, the Company had negative cash flows from operating activities. To the extent that the Company has negative cash flow in any future period, the net proceeds from future financings may be used to fund such negative cash flow from operating activities.

Dependence on Key Personnel

The Company strongly depends on the business and technical expertise of its management and it is unlikely that this dependence will decrease in the near term. Loss of the Company's key personnel could slow the Company's ability to innovate, although the effect on ongoing operations would be manageable as experienced key operations personnel could be put in place. As the Company's operations expand, additional general management resources will be required.

If the Company expands its operations, the ability of the Company to recruit, train, integrate and manage a large number of new employees is uncertain and failure to do so would have a negative impact on the Company's business plans.

Conflicts of Interest

The Company's directors and officers may serve as directors or officers, or may be associated with other reporting companies, or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Company will follow the provisions of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") in dealing with conflicts of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the BCBCA. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith, and in the best interest of the Company.

Intellectual Property

Our success depends on our ability to protect our proprietary rights and operate without infringing the proprietary rights of others; we may incur significant expenses or be prevented from developing and/or commercializing products as a result of an intellectual property infringement claim.

Our success will depend in part on our ability and that of our corporate collaborators to obtain and enforce patents and maintain trade secrets, both in the United States and in other countries.

The patent positions of biotechnology and biopharmaceutical companies, including us, is highly uncertain and involves complex legal and technical questions for which legal principles are not firmly established. The degree of future protection for our proprietary rights, therefore, is highly uncertain. In this regard there can be no assurance that patents will issue from any of the pending patent applications. In addition, there may be issued patents and pending applications owned by others directed to technologies relevant to our or our corporate collaborators' research, development and commercialization efforts. There can be no assurance that our or our corporate collaborators' technology can be developed and commercialized without a license to such patents or that such patent applications will not be granted priority over patent applications filed by us or one of our corporate collaborators.

Our commercial success depends significantly on our ability to operate without infringing the patents and proprietary rights of third parties, and there can be no assurance that our and our corporate collaborators' technologies and products do not or will not infringe the patents or proprietary rights of others.

There can be no assurance that third parties will not independently develop similar or alternative technologies to ours duplicate any of our technologies or the technologies of our corporate collaborators or our licensors, or design around the patented technologies developed by us, our corporate collaborators or our licensors. The occurrence of any of these events would have a material adverse effect on our business, financial condition and results of operations.

Litigation may also be necessary to enforce patents issued or licensed to us or our corporate collaborators or to determine the scope and validity of a third party's proprietary rights. We could incur substantial costs if litigation is required to defend ourselves in patent suits brought by third parties, if we participate in patent suits brought against or initiated by our corporate collaborators or if we initiate such suits, and there can be no assurance that funds or resources would be available in the event of any such litigation. An adverse outcome in litigation or an interference to determine priority or other proceeding in a court or patent office could subject us to significant liabilities, require disputed rights to be licensed from other parties or require us or our corporate collaborators to cease using certain technology or products, any of which may have a material adverse effect on our business, financial condition and results of operations.

The reader is encouraged to review the Company's statutory filings on www.sedar.com.