Management Discussion and Analysis
For the Six Months Ended November 30, 2019
Prepared as of January 16, 2020

General

The following is a discussion and analysis of the operations, results, and financial position of Dimension Five Technologies Inc. (the "Company") for the six months ended November 30, 2019, and should be read in conjunction with the financial statements for the six months ended November 30, 2019, all of which are prepared in Canadian dollars and in accordance with International Financial Reporting Standards ("IFRS").

Forward-Looking Statements

All statements made in this MD&A, other than statements of historical fact, are forward-looking statements. The Company's actual results may differ significantly from those anticipated in the forward-looking statements and readers are cautioned not to place undue reliance on these forward-looking statements. Except as required by law, the Company undertakes no obligation to release the results of any revisions to forward-looking statements that may be made to reflect events or circumstances after the date of this MD&A or to reflect the occurrence of unanticipated events. Forward-looking statements include, but are not limited to, statements with respect to future price levels, success of technology development, success of marketing and product adoption, development time lines, currency fluctuations, requirements for additional capital, unanticipated expenses, trademark or patent disputes or claims, limitations on insurance coverage and the timing and possible outcome of pending litigation.

In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements involve 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 the forward-looking statements. Such factors include, among others, risks related to the integration of acquisitions; future price levels; accidents, labor disputes and other risks of the technology industry; delays in obtaining approvals or financing. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

History of the Company

Dimension Five Technologies Inc. (the "Company") was incorporated in the Province of British Columbia on January 10, 2018, under the Business Corporations Act of British Columbia. The Company was listed on the Canadian Securities Exchange on February 12, 2019 under the symbol "DFT". The Company's primary business is the development and monetization of Investorbase. Investorbase is the rebranded version of the Company's online software application ("the App") originally branded as the Zimtu Advantage. Refer to the Proposed Transactions and Subsequent Events section for information on potential changes to future operations.

The head office and principal address are located at Suite 1450, 789 West Pender Street, Vancouver, BC, Canada V6C 1H2 and the registered and records office of the Company is located at 885 West Georgia Street, Suite 900, Vancouver, BC, Canada V6C 3H1.

Second Quarter 2019 Highlights

During the three months ended November 30, 2019 the Company earned $30,000 in licensing revenues.

On September 3rd, 2019 the Company entered into a non-binding letter of intent ("LOI") with Emergent Waste Solutions Inc. ("EWS") regarding a proposed transaction to acquire all of the issued and outstanding securities of EWS in exchange for common shares of the Company.

On October 31, 2019 the Company terminated the LOI with EWS.

On November 30, 2019 the Company recorded an impairment on its intangible asset of $300,000 due to the uncertainty of any recovery because the Company will be focusing on Youneeq's business when or if the share exchange agreement transaction is completed. Refer to the Proposed Transactions and Subsequent Events section for additional information on the proposed transaction.

Highlights subsequent to the second Quarter 2019:

On December 11, 2019 the Company entered into a share exchange agreement ("SEA") with Digital Cavalier Technology Services Inc. (doing business as Youneeq ("Youneeq")) to acquire all of the issued and outstanding securities of Youneeq in exchange for a total of 75,000,000 common shares of the Company. The Company and Youneeq signed the SEA on December 11, 2019 and signatures are being gathered from Youneeq shareholders in order to obtain a fully executed version. The Transaction is conditional upon, among other things:

i. the parties receiving all necessary regulatory and third-party consents, approvals and authorizations as may be required in respect of the Transaction, including, but without limitation, acceptance of the CSE;
ii. completion of due diligence to the satisfaction of the parties;
iii. the signing of the SEA by all Youneeq shareholders and private placement investors;
iv. completion of all matters, and the satisfaction of all conditions (unless waived in writing), under the SEA required to be completed or satisfied on or before closing of the Transaction including but not limited to: receipt by Youneeq of a loan of $25,000 from the Company on full execution of the SEA; completion of the Concurrent Financing and the Youneeq Financing; and
v. the shareholders of the Company (including if required by a majority of the minority shareholders) will have approved the Transaction and any and all matters in connection therewith pursuant to applicable laws and the rules and policies of the CSE.

Business of the Company

The Company's primary business is the development and monetization of the App. The App provides investors with detailed quotes of stocks listed on Canadian stock exchanges on a 15 minute delay along with other features. The App is a research platform for retail investors that helps connect investors with companies. Refer to the Proposed Transactions and Subsequent Events section for additional information on the proposed transaction which may affect future operations of the Company.

Results of Operations for the six months ended November 30, 2019 and 2018.

Revenues

The Company recorded total revenue of $61,848 (2018: $50,000) in the period. The revenue consisted of license fees of $60,000 (2018: $50,000) and interest and other income of $1,848 (2018: $nil) in the period. The license fee revenue is related to the License Agreement with Zimtu Capital Corp. ("Zimtu") as described in the financial statements.

Expenses

Expenses in the period: App maintenance expenses of $45,155 (2018: $56,058) and general and administrative expenses of $138,136 (2018: $114,680). App maintenance expenses consist of stock market exchange data fees of $44,158 (2018: $46,867) and website hosting fees of $997 (2018: $9,191).

The Company incurred the following general and administrative expenses in the period:

	Six months ended November 30, 2019 $	**Six months ended November 30, 2018 $**
Advertising and promotion	1,846	880
Filing fees, transfer agent expenses and other listing expenses	12,376	6,833
Office and general	38,057	1,167
Professional services	48,030	78,730
Salaries and benefits	37,827	12,070
Share-based compensation	-	15,000
Total	138,136	114,680

The overall operating expenses of the Company increased as follows when compared to the prior year period:

- Advertising and promotion expenses (2019: $1,846, 2018: $880) increased as the Company engaged in additional news releases.
- Filing fees, transfer agent expenses and other listing expenses (2019: $12,376, 2018: $6,833) increased as the Company incurred transfer agent expenses related to its first AGM as a public company in 2019.
- Office and general expenses (2019: $38,057, 2018: $1,167) increased as on March 1, 2019 the Company engaged in rent, management and other services pursuant to the Management Services Agreement (the "MSA") with Zimtu.
- Professional services expenses (2019: $48,030, 2018: $78,730) decreased as the Company incurred higher legal and accounting fees in 2018 related to its listing on the CSE.
- Salaries and benefits expenses (2019: $37,827, 2018: $12,070) increased as the Company only incurred two months of CEO wages in the 2018 period compared to 6 months in the 2019 period.
- Share-based compensation expenses (2019: $nil, 2018: $15,000) decreased as the Company incurred no share based compensation in the 2019 period.

Summary of Quarterly Results

The following table presents selected audited and unaudited financial information from the completed financial quarters since the incorporation of the Company:

	November 30, 2019 $	**August 31, 2019 $**	**May 31, 2019 $**	**February 28, 2019 $**
Revenue	30,701	31,147	9,694	50,306
Expenses	76,104	107,186	88,840	96,874
Impairment of intangible asset	(300,000)	-	-	-
Net loss	345,403	76,039	77,814	46,367
Total assets	219,956	570,867	621,868	717,648
Working Capital	169,127	214,531	290,570	348,078
Total liabilities	50,829	56,336	31,298	49,264

Equity	169,127	570,867	590,570	668,384

	November 30, 2018 $	August 31, 2018 $	May 31, 2018 $	February 28, 2018 (Note 1) $
Revenue	30,000	20,000	-	-
Expenses	110,303	60,435	10,705	7,634
Net loss	80,303	40,435	10,705	7,634
Total assets	744,889	800,287	304,562	14,024
Working Capital	414,751	482,203	2,600	12,367
Total liabilities	30,138	20,233	2,600	1,658
Equity	714,751	780,054	301,962	12,366

Note 1: Results from the quarter ended February 28, 2018 relate to the 50 day period from incorporation on January 10, 2018 to February 28, 2018.

The quarterly fluctuations shown above were generally related to the Company entering into the App purchase and licensing agreements on July 1, 2018 as well as the timing of financings and certain expenses. During the quarter ended August 31, 2018 the Company completed the purchase of the App from Zimtu and entered into a licensing agreement with Zimtu where the Company earns $10,000 per month in license fees. Related to the App purchase, the Company began incurring operating expenses including: stock market data and website hosting expenses. Fluctuations in expenses that occurred between all quarters were primarily related to the timing of legal and accounting fees for advisory services related to the Company's journey towards it stock exchange listing which was achieved February 12, 2019.

During the three months ended November 30, 2019, the Company:

- Earned $30,000 (2018: $30,000) in App license revenue and $701 (2018: $nil) of interest and other income.
- Recorded App maintenance expenses of $16,214 (2018: $35,026).
- Recorded general and administrative expenses of $59,890 (2018: $75,277) as detailed below.
- Recorded an impairment of intangible asset of $300,000 (2018: $nil).

<u>General and administrative expenses</u>

The Company incurred the following general and administrative expenses in the period:

	Three months ended November 30, 2019 $	Three months ended November 30, 2018 $
Advertising and promotion	1,158	404
Filing fees and transfer agent expenses	7,003	6,833
Office expenses	17,335	241
Professional services	15,849	40,729
Salaries and benefits	18,545	12,070
	-	15,000
Total	59,890	75,277

The overall operating expenses decreased in the six months ended November 30, 2019 compared to the same period in 2018.

- Advertising and promotion expenses (2019: $1,158, 2018: $404) increased as the Company engaged in additional news releases during the period.

- Filing fees, transfer agent expenses and other listing expenses (2019: $7,003, 2018: $6,833) increased slightly in the period.
- Office and general expenses (2019: $17,335, 2018: $241) increased as on March 1, 2019 the Company engaged in rent, management and other services pursuant to the Management Services Agreement (the "MSA") with Zimtu.
- Professional services expenses (2019: $15,849, 2018: $40,729) decreased as the Company incurred higher legal and accounting fees in 2018 related to its new listing on the CSE.
- Salaries and benefits expenses (2019: $18,545, 2018: $12,070) increased as the Company only incurred two months of CEO wages in the 2018 period compared to 3 months in the 2019 period.
- Share-based compensation expenses (2019: $nil, 2018: $15,000) decreased as the Company incurred no share based compensation in the 2019 period.

Liquidity and Capital Resources

Total assets of the Company as at November 30, 2019 were $219,956 compared to $621,868 for the year ended May 31, 2019. The primary assets are cash of $18,650 (May 31, 2019: $36,081), guaranteed investment certificates ("GIC") of $178,750 (May 31, 2019: $278,750), and intangible assets of $nil (May 31, 2019 $300,000). The Company has no long-term debt.

At November 30, 2019, the Company had a working capital of $169,127 compared to $290,570 for the year ended May 31, 2019. Working capital includes cash of $18,650 (May 31, 2019: $36,081) available to meet current liabilities of $50,829 (May 31, 2019: $31,298) and other short term business requirements. The Company's accounts payable and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Cash used in operating activities during the six months ended November 30, 2019 was $117,431 compared to $99,580 of cash used in operating activities during the six months ended November 30, 2018. Cash was mostly spent on app maintenance fees, filing fees and transfer agent expenses, professional fees and salaries and benefits and adjusted for items not involving cash.

Cash provided by investing activities during the six months ended November 30, 2019 was $100,000 compared to $28,750 of cash used in investing activities during the six months ended November 30, 2018. Cash was provided by redeeming $100,000 of GIC's in the 2019 period while cash was used to purchase GIC's in the 2018 period.

Cash provided by financing activities during the six months ended November 30, 2019 was $nil compared to $218,527 of cash provided by financing activities during the six months ended November 30, 2018. In the 2018 period cash was provided from the issuance of common shares.

The Company has financed its operations to date primarily through the issuance of common shares. The Company believes that it has sufficient working capital for its short-term corporate obligations but generation of additional capital will be required for future operations until sufficient revenue can be generated from the Company's App. As the Company cannot predict the time at which revenue will exceed expenses, the Company continues to seek capital through various means including the issuance of equity and/or debt. There can be no assurance that financing, whether debt or equity, will always be available to the Company in the amount required at any particular time or for any particular period or, if available, that it can be obtained on terms satisfactory with the Company.

In management's view, given the nature of the Company's operations, which consist of the development of the App, the most relevant financial information relates primarily to current liquidity, solvency and planned development expenditures. The Company's financial success will be dependent upon the extent to which it can complete development of its current product and the user absorption the product receives. Such development may take longer than expected and the amount of resulting revenue, if any, is difficult to determine. The value of the core product is largely dependent upon many factors beyond the Company's control. The future operations may change if the proposed share exchange agreement transaction with Youneeq is completed (as described in subsequent events).

Off balance sheet arrangements

At November 30, 2019 the Company had no material off-balance sheet arrangements that have, or are reasonably likely to have an effect on the results of operations or financial condition of the Company.

Related Party Transactions

During the Six Months Ended November 30, 2019 and 2018 compensation of related parties was as follows:

Key management and related party compensation	Six months ended November 30, 2019 $	Six months ended November 30, 2018 $
Remuneration and fees*	12,000	16,748
Salaries and benefits	30,000	12,000
Share-based payments	-	15,000
	42,000	43,748

*The remuneration and fees were allocated to professional fees of $12,000 (November 30, 2018: $12,000) and share issuance costs to Zimtu of nil (November 30, 2018: $4,748).

During the Six Months Ended November 30, 2019, the Company incurred professional fees of $12,000 (November 30, 2018: $12,000) to a company controlled by the CFO of the Company. As at November 30, 2019, the Company owed $2,000 (May 31, 2019: $nil) to the related company. The amount due is unsecured, non-interest bearing, due on demand and to be settled in cash.

Salaries and benefits consist of wages paid to the Company's CEO. As at November 30, 2019, the Company owed $6,000 (May 31, 2019: $nil) to the CEO of the Company related to wages payable. The amount due is unsecured, non-interest bearing, due on demand and to be settled in cash.

During the Six Months Ended November 30, 2019, the Company incurred share-based compensation of nil (November 30, 2018: $15,000) to directors of the Company.

During the Six Months Ended November 30, 2019, the Company earned licencing revenues of $60,000 (November 30, 2018: $50,000) pursuant to the License Agreement, earned app development fees of $2,295 (November 30, 2018: nil) related to the App Further Development Agreement and incurred rent and other expenses of $33,000 (November 30, 2018: nil) pursuant to the Management Services Agreement. See below for details of the agreements.

On June 15, 2018, the Company issued 3,600,000 common shares at $0.02 per share to certain directors and officers of the Company for proceeds of $72,000.

On July 1, 2018, the Company purchased the App including the source code, website and other intellectual property rights from Zimtu for 10,000,000 common shares valued at $0.03 per share for total consideration of $300,000. Of this amount, 4,300,000 common shares were issued to officers of the Company and 4,000,000 common shares were issued to Zimtu.

On July 1, 2018, the Company entered into a License Agreement with Zimtu, whereby the Company has granted a non-exclusive, non-transferable, non-sublicensable and revocable app user license to Zimtu for a fee of $10,000 per month. The current agreement is for a term of 18 months and may be renewed for an additional 18 months if mutually agreed upon. The agreement may be terminated by Zimtu by providing 30 days' notice to the Company. Pursuant to the License Agreement, Zimtu has agreed to fund the Company's development and marketing costs for the App up to a maximum of $100,000. On November 1, 2018 Zimtu agreed that the minimum term of the license will be to October 31, 2019 and that 30 days' notice of termination would not be provided prior to October 1, 2019.

On September 11, 2018, the Company entered into an App Further Development Agreement (the "AFDA") with Zimtu whereby Zimtu has agreed to pay the Company a fee of $100,000, in accordance with a to be agreed upon payment schedule, to improve and further develop the App for its use. Pursuant to the AFDA:

- The development services include improving functionality and data accuracy, rebranding the website and its landing page, providing marketing services and a program including email marketing, search engine marketing and optimization, online advertising and trade shows, and providing documentation for the improvements (collectively, the "deliverables");
- The Company remains the sole and exclusive owner of the deliverables;
- Upon payment of the fee, Zimtu will be granted a license to execute, perform, display and operate the App and to use and copy the documentation as required to operate the App;
- Upon acceptance of the deliverables by Zimtu, the Company will provide a limited 60-day warranty to cover any programming errors in the deliverables; and Expiry occurs on completion of the work which is expected to take up to one year.

On January 2, 2019, the Company received a payment of $50,000 from Zimtu pursuant to the AFDA.

On March 1, 2019, the Company entered into a Management Services Agreement (the "MSA") with Zimtu. Pursuant to the MSA, Zimtu will provide the Company with administrative and managerial services for a fee of $5,500 per month plus GST, including office space and equipment, for a term of nine months ending on November 30, 2019. Zimtu can renew the MSA for further 12 month terms provide that it hasn't been terminated by either party upon giving one month notice to the other. On October 31, 2019 the agreement was renewed for another year with the renewal agreement ending November 30, 2020.

Other MD&A Requirements

Disclosure of Outstanding Share Capital

The Company has an authorized share capital of:

i. Unlimited common shares without par value
ii. Unlimited preferred shares without par value

The following table describes the issued and outstanding share capital of the Company:

	January 16, 2020	November 30, 2019	May 31, 2019	May 31, 2018
Common Shares	23,078,001	23,078,001	23,078,001	1
Preferred Shares	-	-	-	-
Stock Options	400,000	400,000	400,000	-
Fully Diluted Shares	23,478,001	23,478,001	23,478,001	1

On August 12, 2019 there were 2,145,000 common shares released from escrow. At the date of this report, there were 10,725,002 remaining in escrow.

For additional details of outstanding share capital, refer to the financial statements for the period ended November 30, 2019.

Proposed Transactions and Subsequent Events

On December 6, 2019 the Company received a payment in the amount of $10,000 related to the $20,000 note receivable from Emergent Waste Solutions Inc.

On December 9, 2019 the Company received the final payment in the amount of $10,000 related to the $20,000 note receivable from Emergent Waste Solutions Inc.

On December 11, 2019 the Company entered into a share exchange agreement with Digital Cavalier Technology Services Inc. (doing business as Youneeq ("Youneeq")) to acquire all of the issued and outstanding securities of Youneeq in exchange for a total of 75,000,000 common shares of the Company. The Company and Youneeq signed the SEA on December 11, 2019 and signatures are being gathered from Youneeq shareholders in order to obtain a fully executed version. The Transaction is conditional upon, among other things:

i. the parties receiving all necessary regulatory and third-party consents, approvals and authorizations as may be required in respect of the Transaction, including, but without limitation, acceptance of the CSE;
ii. completion of due diligence to the satisfaction of the parties;
iii. the signing of the SEA by all Youneeq shareholders and private placement investors;
iv. completion of all matters, and the satisfaction of all conditions (unless waived in writing), under the SEA required to be completed or satisfied on or before closing of the Transaction including but not limited to: receipt by Youneeq of a loan of $25,000 from the Company on full execution of the SEA; completion of the Concurrent Financing and the Youneeq Financing; and
v. the shareholders of the Company (including if required by a majority of the minority shareholders) will have approved the Transaction and any and all matters in connection therewith pursuant to applicable laws and the rules and policies of the CSE.

On December 16, 2019 the Company loaned $25,000 to Youneeq in conjunction with the fully share exchange agreement. The loan is secured with a general security agreement and bears interest at 8% with a maturity date of June 16, 2020.

On December 18, 2019 the Company announced that all signatures have been gathered from Youneeq shareholders in order to obtain a fully executed SEA.

Risk Factors

Liquidity Concerns and Future Financing Requirements: The Company is in the development phase and has not generated any revenue. It will likely operate at a loss until its business becomes established and may require additional financing to fund future operations and expansion plans. The Company's ability to secure any required financing to sustain its operations will depend in part upon prevailing capital market conditions, as well as the Company's business success. There can be no assurance that the Company will be successful in its efforts to secure any additional financing or additional financing on terms satisfactory to it. If additional financing is raised by issuing Shares from treasury, control of the Company may change, and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, the Company may be required to scale back its business plan or cease operating.

Limited Operating History and No Assurance of Profitability: The Company is a start-up business with a limited operating history and no established brand recognition. The Company will be subject to all the business risks and uncertainties associated with any new business enterprise, including the risks that it will not establish a market for its services, achieve its growth objectives or become profitable. The Company anticipates that it may take several years to achieve positive cash flow from operations. There can be no assurance that there will be demand for the Company's services or that the Company will become profitable.

Need for funds: In the short term, the continued operation of the Company will be dependent upon its ability to procure additional financing. The Company must obtain such financing through equity financing and there can be no assurance that the Company can raise the required capital it needs to build and expand the Company's business. Without this additional financing, the Company may be unable to advance the Company's business model, and the Company will likely fail. There can be no certainty that the Company can obtain these funds, in which case any investment in the Company may be lost. The raising of equity funding will also result in dilution of the equity position held by the Company's shareholders.

Uncertainty of Use of Proceeds: Although the Company has set out its intended use of available funds in this Prospectus, the uses and figures provided are estimates only and are subject to change. While management does not contemplate any material variation from such estimates, management retains broad discretion in the application of such proceeds. See "Use of Proceeds".

Operational Risks: The Company will be affected by several operational risks against which it may not be adequately insured or for which insurance is not available, including: catastrophic accidents; fires; changes in the regulatory environment; impact of non-compliance with laws and regulations; labor disputes; natural phenomena such as inclement weather conditions, floods, earthquakes and ground movements. There is no assurance that the foregoing risks and hazards will not result in damage to, or destruction of, the Company's premises, personal injury or death, environmental damage, resulting in adverse impacts on the Company's operations, costs, monetary losses, potential legal liability and future cash flows, earnings and financial condition. Also, the Company may be subject to or affected by liability or sustain loss for certain risks and hazards against which it cannot insure or which it may elect not to insure because of the cost. This lack of insurance coverage could have an adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Technology Risk: The Company's products and services are dependent upon advanced technologies which are susceptible to rapid technological change. There can be no assurance that the Company's products and services will not be seriously affected by, or become obsolete as a result of, such technological changes. Further, some of the Company's services are currently under development and there can be no assurance that these development efforts will result in a viable service as conceived by the Company or at all.

Unforeseen Competition: There can be no assurance that significant competition will not enter the market and offer any number of similar services to those provided by the Company. Such competition could have a significant adverse effect on the growth potential of the Company's business by effectively dividing the existing market for such products and services.

Trends: The Company's success depends on the continuation of stock trading and the ability of products to add new users, sell licensing and generate revenue. Future revenues will be largely dependent on the company's ability to generate revenue from third parties advertising within the Company's products. Changes in media trends which affect user adoption and marketing habits may significantly affect the Company's ability to collect revenue in the future. If third party marketers decide that the Company's products are experimental or unproven, or if third party policies limit our ability to deliver or target advertising on mobile devices and desktop, or if adverse legal developments arise relating to advertising, including legislative and regulatory developments and developments in litigation, or if our products are unable to sustain or increase the value of our ads or marketers' ability to analyze and measure the value of our ads, or if trends for advertising on mobile devices or on personal computers changes, our advertising revenue could be adversely affected.

Dependence on Personnel: The Company's future success depends substantially on the continued services of its executive officers and its key development personnel. If one or more of its executive officers or key development personnel were unable to unwilling to continue in their present positions, the Company might not be able to replace them easily or at all. In addition, if any of its executive officers or key employees joins a competitor or forms a competing company, the Company may lose know-how, key professionals and staff members.

Management of Growth: The Company may experience a period of significant growth that will place a strain upon its management systems and resources. Its future will depend in part on the ability of its officers and other key employees to implement and improve financial and management controls, reporting systems and procedures on a timely basis and to expand, train motivate and manage the workforce. The Company's current and planned personnel, systems, procedures and controls may be inadequate to support its future operations.

Data Security Risks: The Company will utilize servers with significant amounts of data stored thereon at the company's physical office and stored on the cloud, on the internet through third party companies. Should the Company be responsible for the loss of any or all the data stored by it, the liability could materially undermine the financial stability of the Company. Also, much of the data stored at the Company's premises or within the servers will be confidential. Anyone who can circumvent the Company's security measures could misappropriate proprietary information or cause interruptions in its operations.

Volatility of Share Price: It is anticipated that the Shares will be listed for trading on the Exchange in the near future. As such, factors such as announcements of quarterly variations in operating results, revenues, costs and market conditions in the digital advertising industry may have a significant impact on the market price of the shares. Global stock markets, including the Exchange, have from time to time experienced extreme price and volume fluctuations that have often been unrelated to the operations of particular companies. The same applies to companies in the technology and marketing sectors. There can be no assurance that an active or liquid market will develop or be sustained for the Shares.

Dividends: The Company has not paid dividends to shareholders in the past and does not anticipate paying dividends in the foreseeable future. The Company expects to retain its earnings to finance growth.

Officer and Director Conflicts: Because directors and officers of the Company and/or the Company are or may become directors or officers of other reporting companies or have significant shareholdings in other technology companies, the directors and officers of the Company may have a conflict of interest in conducting their duties. There can be no assurance such conflicts of interests will be resolved to the benefit of the Company.

Our future growth depends in large part on the success of our partner relationships: In addition to our sales force, we rely on partners to increase our sales and distribution of our software and services. We are dependent on partner relationships to contribute to our growth and to create leverage in our business model. Our future growth will be increasingly dependent on the success of our partner relationships, and if those partnerships do not provide such benefits, our ability to grow our business will be harmed. If we are unable to scale our partner relationships effectively, or if our partners are unable to serve our customers effectively, we may need to expand our services organization, which could adversely affect our results of operations.

We may not be able to respond to rapid technological changes with new offerings: The markets for our software are characterized by constant technological changes, changing open-source software platform technologies and standards, changing customer needs and frequent new software product introductions and improvements. The introduction of third-party solutions embodying new technologies and the emergence of new industry standards, including any open-source projects that have become widely adopted, could make our existing and future software offerings obsolete and unmarketable.

Incorrect or improper implementation or use of our software could result in customer dissatisfaction: Our platform must integrate with a variety of operating systems, software applications and hardware developed by others. If we or our customers are unable to implement our software successfully, or are unable to do so in a timely manner, or if we are unable to devote the necessary resources to ensure that our solutions interoperate with other software, systems and hardware, customer perceptions of our company may be impaired, our reputation and brand may suffer and customers may choose not to increase their use of our software.

The reliability of our software will be critical to our success: Our reputation and ability to attract, retain and serve our customers are dependent upon the reliable performance of our software and our underlying technical and network infrastructure. We have experienced, and will in the future experience, interruptions, outages and other performance problems. In addition, we rely on third-party service providers to host and deliver certain information, and these third parties may also experience interruptions, outages and other performance problems. Such disruptions may be due to a variety of factors, including infrastructure changes, human or software errors, capacity constraints and inadequate design. A future rapid expansion of our business could increase the risk of such disruptions. In some instances, we may not be able to identify the cause or causes of these performance problems within an acceptable period of time. Any errors, defects or security vulnerabilities discovered in our offerings could result in loss of revenue or delay in revenue recognition, loss of customers and increased service and warranty cost, any of which could adversely affect our business, results of operations and financial condition.

If we are unable to protect our intellectual property rights, our competitive position could be harmed or we could be required to incur significant expenses to enforce our rights: Our ability to protect our intellectual property affects the success of our business. We rely on trade secret, patent, copyright and trademark laws and confidentiality agreements with employees and third parties, all of which offer only limited protection. The steps we have taken to protect our proprietary rights may not be adequate to preclude misappropriation of our proprietary information or infringement of our intellectual property rights, and our ability to police such misappropriation or infringement is uncertain. The intellectual property rights granted to us, if any, may not provide us with proprietary protection or competitive advantages, and, as with any technology, competitors may be able to develop similar or superior technologies to our own now or in the future. In addition, we rely on contractual and license agreements with third parties in connection with their use of our products and technology. There is no guarantee that such parties will abide by the terms of such agreements or that we will be able to adequately enforce our rights.

Claims by others that we or our customers infringe the proprietary technology of such other persons could force us to pay damages or prevent us from using certain technology in our products: Third parties could claim that our products or technology infringe their proprietary rights. Any claim of infringement by a third party, even one without merit, could cause us to incur substantial costs defending against the claim, and could distract our management from our business. Furthermore, a party making such a claim, if successful, could secure a judgment that requires us to pay substantial damages. A judgment could also include an injunction or other court order that could prevent us from offering our products. In addition, we might be required to seek a license for the use of such intellectual property, which may not be available on commercially reasonable terms or at all. Alternatively, we may be required to develop non-infringing technology, which could require significant effort and expense and may ultimately not be successful.

Changes in Accounting Policies

There have been no changes in the accounting policies.

Future Accounting Standards, Amendments, and Interpretations Not Yet Effective

For details of the Company's Future Accounting Standards, including accounting standards not yet adopted, new accounting standards adopted, and accounting standards amended but not yet effective, please refer to Note 3 of the Company's financial statements for the three and six months ended November 30, 2019.

Financial Instruments and Capital Disclosures

As at November 30, 2019, the Company's financial instruments consist of cash and cash equivalents, GIC investment, accounts receivable, accounts payable and accrued liabilities. The carrying value of these financial instruments approximate their fair values. The use of financial instruments can expose the Company to several risks, including interest rate, credit, currency, and market risk. A discussion of the Company's use of financial instruments and their associated risk is provided below:

a) Fair value - The Company classifies its financial instruments using a fair value hierarchy as a framework for disclosing fair value of financial instruments based on inputs used to value the Company's investments. The hierarchy of inputs and description of inputs is described as follows:

b) Interest rate risk - The Company is not exposed to significant interest rate risk even though the Company has cash balances, and its current policy is to invest excess cash in certificates of deposit or money market funds of major Canadian chartered banks. The GIC included in investment bear interest at a fixed rate, and the Company is, therefore, exposed to the risk of changes in fair value resulting from interest rate fluctuations. The sensitivity of the Company to a variation of 1% in the interest rate would not have a significant impact. The Company's other financial assets and financial liabilities do not comprise any interest rate risk since they do not bear interest.

c) Credit risk - The Company is not exposed to significant credit risk on its cash and cash equivalents and investments due to its cash and cash equivalents are placed with major financial institutions and investments are placed with a Canadian chartered bank. Management believes that the credit risk with respect to advances and amounts receivables is remote. One customer accounted for 100% of the Company's licensing revenue.

d) Currency risk - The Company is not exposed to significant currency risk on fluctuations considering that its assets and liabilities are stated in Canadian dollars.

f) Market risk - Market risk is the risk that the fair value of or future cash flows from the Company's financial instruments will significantly fluctuate because of changes in market prices. The Company is not exposed to significant market risk as the financial instruments consists mainly of cash and a GIC held at a major Canadian chartered bank.

g) Capital management - The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to meet its daily operating expenses. The Company may raise additional capital for additional cash required. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to identify and acquire new investment or business opportunities.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the periods ended November 30, 2019 and May 31, 2018. The Company is not subject to externally imposed capital requirements.

Approval

The Board of Directors of Dimension Five Technologies Inc. has approved the disclosure contained in this MD&A.