



RIWI CORP.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the Three and Nine Months Ended September 30, 2019 and 2018

Containing information up to and including November 26, 2019

(Expressed in United States Dollars)

RIWI CORP.

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management's discussion and analysis ("MD&A") details RIWI Corp.'s ("RIWI" or the "Company") operating results and financial condition as at and for the three and nine months ended September 30, 2019 and 2018, and is prepared as at November 26, 2019. This MD&A should be read in conjunction with the Company's unaudited condensed interim financial statements for the three and nine months ended September 30, 2019 and 2018 and the notes thereto which were prepared in accordance with *International Financial Reporting Standards* ("IFRS") (collectively referred to as the "Financial Statements"), which are available on www.sedar.com. Other information contained in this document has also been prepared by management and is consistent with the data contained in the Financial Statements.

Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with IFRS. The Company's certifying Officers, based on their knowledge, having exercised reasonable diligence, are also responsible to ensure that these filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by these filings, and these Financial Statements together with the other financial information included in these filings fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented in these filings.

The Board of Directors approves the Financial Statements and MD&A and ensures that management has discharged its financial responsibilities. The Board's review is accomplished principally through the Audit Committee, which meets periodically to review all financial reports, prior to filing.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking information, future-oriented financial information, or financial outlooks (collectively, "forward-looking information"), which includes disclosure regarding possible events, conditions or financial performance that is based on assumptions about future economic conditions and courses of action. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "seeks," "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates", "projects", "budgets", "forecasts", "does not anticipate", "believes", "objective", "strives" or variations of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results, performance or achievement may vary materially from those expressed or implied by the forward-looking information contained in this MD&A. These risk factors should be carefully considered and readers are cautioned not to place undue reliance on forward-looking information, which speaks only as of the date of this MD&A. All subsequent forward-looking information attributable to the Company herein is expressly qualified in its entirety by the cautionary statements contained in or referred to herein. The Company does not undertake any obligation to release publicly any revisions to this forward-looking information to reflect events or circumstances that occur after the date of this MD&A or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

ADDITIONAL INFORMATION

Additional information relating to the Company is available from the SEDAR website at www.sedar.com, under the Company's profile.

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OVERVIEW

RIWI is a public company and its shares are all common shares listed on the Canadian Securities Exchange (CSE: RIW). The Company was originally incorporated under the laws of Canada pursuant to the *Canada Business Corporations Act* on August 17, 2009 while the Founder and Chief Executive Officer led a research unit affiliated with Massey College in the University of Toronto. The Company later fully commercialized in 2017, when it hired a full-time Chief Technology Officer, a full-time Chief Financial Officer, raised hedge-fund financing, and hired staff dedicated to top-line growth, recurring revenues, and profit. The head office is at 180 Bloor Street West, Suite 1000, Toronto, Ontario, M5S 2V6 and our registered and records office is located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, BC, V6C 2X8. The Company maintains an office in Vancouver, BC.

RIWI is a global trend-tracking and prediction technology firm. Our patented, cloud-based software solutions provide a unique, global digital intelligence platform to clients seeking real-time citizen sentiment data anywhere in the world in order to make faster, improved decision-making to grow their earnings, assess consumer behavior, and to monitor and reduce violent conflict. Our platform can be accessed by users within any large enterprise customer, offering our clients continuous, live data feeds and constantly updating analytics. RIWI's machine-learning properties provide real-time applied analytics, forecasts, and data aggregation for our customers seeking actionable business insights, eliminating the need for labour-intensive manual computations. The Company earns revenues through monthly, quarterly and annual subscriptions and long-term, multi-year agreements with clients in three business lines: Global Private Enterprise, Global Security, and Global Citizen Engagement.

RIWI Highlights for the Third Quarter of 2019 (in U.S. Dollars)

- a) RIWI's third quarter of revenue was its highest in the Company's history, surpassing the milestone of \$1 million in quarterly revenue for the first time. Revenue grew by 26% to \$1,006,368, compared to the three months ended September 30, 2018. For the nine months ended September 30, 2019, revenue grew by 37%, to \$2,521,373, compared to the same period last year.
- b) The Company had a profitable third quarter, generating a net profit of \$543,974, an increase of 82%, compared to the third quarter of 2018. For the nine months ended September 30, 2019, the Company generated a net profit of \$629,822, an increase of 320%, compared to the same period last year.
- c) The Company produced \$495,715 in cash from operations for the nine months ended September 30, 2019, ending the third quarter with over \$2.34 million in cash.
- d) For the last 12 months RIWI increased:
 - (i) Revenue by 42%, reaching \$3,347,163 compared to \$2,356,392 for the same period last year;
 - (ii) Profit by 584%, generating net income of \$896,371 compared to \$131,026.
- e) As at September 30, 2019, the Company had working capital of \$3,591,259 compared to \$2,349,503 as at December 31, 2018. This 53% increase results primarily from the Company's increase in sales revenue, and from controlling costs.
- f) On September 27, 2019, RIWI announced that it placed Number 5 of public companies on *The Globe and Mail's* ranking of Canada's Top Growing Companies, with three-year revenue growth of 351%.
- g) On October 29, 2019, RIWI announced that BofA Securities (formerly, Bank of America Merrill Lynch) awarded a new contract order for \$543,000 under its three-year long-term agreement. RIWI has won over \$1.6 million in business with BofA Securities since the Agreement was signed in August 2017.

1. Growing Quarterly Revenue and Strong Profitability for 2019

RIWI is a profit-driven and purpose-driven company. RIWI's work and operations continue to advance a set of core values: all opinions matter to advance the cause of liberty, and the broadest set of true opinions from any location can offer clients predictive insights and early trend-identification. Further, prosperity does not come by luck and good timing: it arises through a relentless push toward goals, and from logical reasoning and inquiry to continually assess what works and does not work to build a strong, durable company. We are proud to have built a profitable, global machine-learning platform that conducts continuous, privacy-compliant surveys and ad tests in all countries with ever-stronger barriers to entry that extend far beyond our intellectual property stack.

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RIWI's third quarter results for 2019 represent a focus on both profitability and top-line growth – our highest revenue quarter to date – achieving the milestone of \$1 million in quarterly revenue, while remaining profitable. For an investor in any business, but especially in the data and analytics sector, it is vital to focus on what is real: i.e., sales and operational performance metrics that matter most to prove long-term value. Therefore, we pride ourselves on intelligent growth: investing for the future while keeping our expenses contained. We continue to refine our sales process for sustained growth: productization for new sales; building market awareness for diverse clients; striking new collaboration agreements to increase sales; and boosting recurring revenues across all three business lines.

To invest in RIWI is to invest in markers of foundational value: growth, profitability, and cash in the bank.

2. Factors Driving RIWI's Growth Path

We noted in our MD&A for the second quarter of 2019 that the market maturity and growth trajectory for privacy-compliant real-time public sentiment collection – from data firms such as RIWI, whose systems collect no personally identifiable data – is where online commerce was in the mid-1990s.

RIWI defines itself as a market leader in data privacy. RIWI's growing cash on hand offers the Company the opportunity to evaluate inbound requests to partner with a wide variety of data-privacy businesses in order: (i) for RIWI to win new long-term revenues and, more broadly, (ii) for RIWI to emerge in the next 5 years as a one-stop, end-to-end solution for diverse enterprise clients in all regions of the world that require the secure collection, dissemination and storage of sentiment, predictive analytics and country-trends data. The total addressable market for RIWI therefore extends beyond the already significant markets for international security, international development and predictive analytics for the finance sector.

In this context, management feels that RIWI's fundamentals are strong and will improve based on the following:

A. Recurring Revenues and Investing More Money to Expand Sales

RIWI prides itself on being a business that enjoys: (i) recurring revenues demonstrating clearly that its offerings are profitable; and (ii) high operating leverage, especially as compared to other data collection firms. By "recurring revenues", management refers to customers who re-engage RIWI for new contracts on a monthly, quarterly or annual basis. As we seek to expand and diversify our client base, the percentage of revenues that can be classified as recurring may fluctuate as we onboard new clients that may or may not choose to renew their business with us due to budget constraints, changing economic conditions or due to other reasons. We find that our current percentage of business that classifies as recurring revenues under the Company's definition above constitutes approximately 50 percent of our current revenue base, a percentage that offers us revenue and profit stability while at the same time enabling us to invest our cash from operations to pursue new clients through proven client-acquisition strategies that include hiring new sales professionals and marketing RIWI's distinct case studies.

Examples of recurring revenues include RIWI's work for BofA Securities pursuant to its three-year Master Services Agreement, scheduled for renewal in 2020. Other clients that offer RIWI recurring revenues include: the United States Department of State (varied agencies), the United Nations World Food Programme, Freedom House, The World Bank (varied units), the National Endowment for Democracy, the United Nations Development Fund, the United States Agency for International Development, Khulisa Management Services, the Government of Canada, the Government of Israel, Humanity United, Message House, Harvard University, Australian National University, MTV, Omidyar Network, RNW Media, The Bill and Melinda Gates Foundation, and varied commercial clients under confidentiality. These clients often request that RIWI be on rapid response to collect data in all countries.

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B. Increased Sales Force and Sales Leadership

RIWI's next phase of growth will include hiring additional sales staff and sales leadership. In order to reach new markets and customers, RIWI has begun a formal search to find an experienced sales leader, who will build out RIWI's sales force with a focus on winning new private sector customers worldwide. Management has reviewed RIWI's current growth trajectory and concluded that more sales staff is needed to drive our plans for aggressive growth in 2020 and beyond. Hiring new sales leadership frees up more time for our Founder and Chief Executive Officer – who has earned the requisite top-level clearances and expertise – to focus more on building our growing security business line. Hiring new sales staff and sales leadership also enables the Company's innovation and research leads, which includes RIWI's Chief Executive Officer, Chief Technology Officer and Head of Research, to advance new research and development to commercialization more rapidly in order to expand and diversify revenues. RIWI has reached its current level of profitability and top-line growth with only 3.5 full-time equivalent staff (FTEs) committing a majority of their time to sales. At this stage of the Company's growth, profit and product maturity, management believes that a sequenced investment in business development representatives (i.e., inside sales), client-facing sales professionals, and in sales leadership is important to accelerate top-line growth.

C. Reaching New Markets and Customers through New RIWI Product Offerings

To set up new and existing sales professionals for long-term success, RIWI has invested in productized offerings where enterprise customers can quickly buy our services. Our packaged offerings now include:

- (i) United States 2020 Election Tracker, United Kingdom 2019 Election Tracker, and Elections/Referenda Tracking Globally;
- (ii) Message Testing for the Security, Risk, and Political Sectors in all Countries;
- (iii) Risk and Stability Trackers in all Countries to Measure and Predict Violence and Civil Unrest;
- (iv) Licensed data feeds and proprietary, customized trackers for diverse US-based equities sectors, including:
 - All Asia-, India-, and South America-focused telecommunications data (e.g., continuous data in any country on prepaid vs. postpaid trends, market share, average revenue per user, data usage, churn, satisfaction, merger sentiment, phone model purchase, upgrade and replacement intent);
 - China-focused data (e.g., changing competitive market share across product categories: personal care, electronics, groceries, clothing/shoes, education, infant products, and foreign goods purchases);
 - US-consumer facing equities such as gaming (e.g., gaming frequency, active player market share, 12 month in-game purchase spend, game subscription service usage);
- (v) Online and 'gig-economy' trackers to measure consumer confidence and the online economy accurately.

D. Winning Increasing Revenues through New, Diverse and Agile Contract Structures

RIWI has emerged to become a Company eligible to earn revenues through diverse rapid procurement contracts. Based on past delivery excellence and positive performance reviews by US and other government agencies, RIWI now leverages a wide variety of contract vehicles to increase revenues. These contract vehicles include:

- (i) Sub-contracting on a rapid-response basis to existing RIWI clients that maintain long-term supplier agreements to the US government and that have US indefinite delivery/indefinite quantity (IDIQ) status;
- (ii) Direct contracting with the US government following two years of client positive performance assessments;
- (iii) Contracting with universities and NGO implementation partners for awards from government agencies and multilaterals (e.g., Harvard University, Australian National University and the University of Toronto);
- (iv) Contracting under multi-year existing agreements with global multinationals and government agencies, such as the UN World Food Programme and the United States Agency for International Development, enabling the Company to win new work under these agreements on a rapid-response basis;
- (v) Contracting under new and existing agreements with a US-based minority-owned small business (SBA-certified) that serves US government agencies directly, and that serves US government departments under United States Government General Service Agreement (GSA) contracts;
- (vi) Multi-year agreements with global financial institutions, such as BofA Securities; and
- (vii) "Open Case" offerings where hedge funds can buy RIWI data feeds that service multiple financial clients.

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RIWI's client base continues to expand as a result of its record of accomplishment for customers requiring strong delivery excellence and privacy compliance in all nations. In October 2018, the US Government conducted a formal review of the quality, timeliness, cost control, management and regulatory compliance of the Company's work and operations. The US government gave RIWI a positive contract performance assessment, recommending RIWI for similar global data collection work – i.e., surveys or message testing in any country of the world – that may be required to be commissioned by any US government agency. This positive contract performance review is now viewable to any US government buyer reviewing RIWI's capabilities or comparing RIWI to other vendors.

E. Increasing Reputational Leadership to Win New Sales

RIWI's enterprise clients value the rigorous and increasing academic peer-review of the unique access, statistical validity, and global accuracy offered exclusively by the Company's technology. These include peer-review in the past year by data scientists at Harvard University and Honda, as well as past publications in top scientific publications validating RIWI technology, such as *PLOS Medicine* (a journal of the Public Library of Science), *The Lancet* and *Nature*. Winning the "Battle of the Quants" in New York City this year cemented RIWI as a global leader for the finance sector when collecting continuous sentiment across China.

RIWI thought leadership regularly appears in prominent general, finance-focused and academic publications around the world, enabling the sales funnel of the Company to grow through in-bound sales opportunities. RIWI executives now receive regular invitations from finance experts concerned about the market risks associated with political risk amid trade disputes, and how to reliably measure trends and risks in all parts of the world. In the development and humanitarian sector, RIWI employees speak regularly at events hosted by top universities, the World Bank, the American Bar Association-Rule of Law Initiative, Freedom House, the United States Agency for International Development, the Pan American Health Organization, and the US Institute of Peace.

To increase sales and market visibility, RIWI staff promote our data and case studies, such as changing support for US institutions, goods and services across China; prominent media then amplify these findings. These media include *Business Insider* and *Bloomberg*, which compared RIWI's consumer confidence data in the US on behalf of our long-term client, BofA Securities, to the University of Michigan and Conference Board's confidence measures.

F. Lower Technology Costs as Sales Expand

To invest in RIWI is to invest in a technology platform whose machine-learning properties and business model sustain strong operating leverage. Technology costs decreased by 22% to \$70,868 during the three months ended September 30, 2019 compared to the same period in 2018. We saw this decrease in technology costs despite a 26% increase in revenue. We continue to focus on the automation and optimization of all our processes. The machine-learning and automation processes that drive our product offerings provide what management sees as stronger and stronger barriers to entry from competitors. RIWI's 2018 and 2019 investments in machine-learning research and development have advanced our capacity to keep costs low even as we expand long-term contracts across diverse markets of the world. This machine-learning capacity also enables us to keep our staff count low as we expand our sales.

G. Low General and Administrative Costs Help RIWI Invest Intelligently

RIWI's management values keeping expenses under control. Our General and Administrative expenses for the three months ended September 30, 2019 decreased by 6% to \$375,635 even though salaries expense increased due to hiring of additional staff. The increased salaries expense was offset by lower office expenses and share-based payment expense. Management strives to limit all costs that do not foster a clear path to revenue growth, in order to have the cash to invest intelligently in the things that do help accelerate recurring sales.

H. Growing Cash in the Bank to Invest in New Sales

The Company ended the third quarter with over \$2.34 million in cash. As at September 30, 2019, the Company had working capital of \$3,591,259 compared to working capital of \$2,349,503 as at December 31, 2018. This 53% increase results primarily from the Company's increase in sales revenue, and from controlling costs. As revenues climb, and as we continue to manage our costs, the availability of cash on hand is important to hire staff who can help RIWI's sales grow further.

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3. New Intellectual Property Development

RIWI's Chief Executive Officer and Chief Technology Officer filed a machine learning patent application in the United States Patent and Trademark Office ("USPTO") on April 18, 2019. This application claimed priority from the U.S. Provisional Patent that RIWI previously filed on April 20, 2018. The title of the described invention is: "Systems and Methods for Optimizing Web Traffic Performance." The invention, which RIWI has been using for clients for over 20 months, has enabled RIWI to reduce its technology costs for data collection in all countries of the world. The USPTO published the application on October 24, 2019 and assigned it the publication number US-2019-0325477-A1. In accordance with the United States law, provisional compensation rights arise on publication.

4. New Operational Highlights (Technical Advances and Associated Business Benefits)

A. Operational Telemetry: RIWI's project costs and timing were historically challenging to estimate. Using operational data analytics, RIWI can update cost and timing predictions on demand or with automated alerts. This feature lets us manage complex multi-country and multi-dimensional projects with change control for optimized cost, precise timing estimates, staffing efficiencies, customer satisfaction, and delivery excellence.

B. Continuous Integration/Continuous Delivery: As new features transition from the exploratory phase to productization, RIWI adopts continuous integration/continuous delivery processes and automated tooling to accelerate the "new features pipeline". This approach is iterative, offering rapid customer feedback and learning for both continuous product and process improvement.

FINANCIAL RESULTS – EXPRESSED IN U.S. DOLLARS

The following is a discussion of the results of operations of the Company for the three and nine months ended September 30, 2019 and 2018. The results should be read in conjunction with the unaudited condensed financial statements for the three and nine months ended September 30, 2019 and 2018, and the related notes.

Financial Results	Three Months Ended September 30		Nine Months Ended September 30	
	2019	2018	2019	2018
Revenues	\$ 1,006,368	\$ 801,435	\$ 2,521,373	\$ 1,841,888
General and administrative expenses	(375,635)	(399,409)	(1,677,868)	(1,417,967)
Sales and marketing expenses	(24,703)	(17,896)	(44,556)	(44,702)
Technology costs	(70,868)	(91,217)	(193,549)	(245,899)
Net interest income	8,812	5,770	24,422	16,666
Net income and comprehensive income	\$ 543,974	\$ 298,683	\$ 629,822	\$ 149,986
Net income per share: basic	\$ 0.03	\$ 0.02	\$ 0.04	\$ 0.01
Net income per share: fully diluted	\$ 0.03	\$ 0.02	\$ 0.03	\$ 0.01

	September 30 2019	December 31, 2018
Total assets	\$ 4,068,359	\$ 2,649,337
Total non-current liabilities	120,762	11,800
Cash dividends	-	-

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For the three months ended September 30, 2019 and 2018

Revenues are comprised of fees that are charged to customers for providing digital surveys or ad tests and automated analytics of the findings. RIWI's third quarter of revenue was its highest in the Company's history, surpassing the milestone of \$1 million in quarterly revenue for the first time. Revenue grew by 26% or \$204,933 to \$1,006,368, compared to the three months ended September 30, 2018. This increase in revenues resulted from RIWI increasing its customer base and recurring revenue streams, and the increased focus on sales activities for new markets and customers.

Total expenses decreased by 7% to \$471,206 during the three months ended September 30, 2019 compared to 2018. The key expenses are summarized as follows:

- a) **General and administrative expenses** decreased by 6% to \$375,635 during the three months ended September 30, 2019 compared to 2018. Salaries expense increased due to hiring of additional staff, which was offset by lower office expenses and share-based payment expense. The other expenses remained fairly stable. Management strives to limit all costs that do not foster revenue growth.
- b) **Sales and marketing** increased by \$6,808 to \$24,703 during the three months ended September 30, 2019 compared to 2018. The Company has begun spending more on sales and marketing, including attending events around the world, to help introduce RIWI to new markets and customers.
- c) **Technology costs** decreased by 22% to \$70,868 during the three months ended September 30, 2019 compared to 2018. The decrease is due to our technological advances that have reduced our technology costs linked to sales. The Company is always looking at ways to increase its efficiency, automate its processes and thereby reduce its technology costs associated with increased sales.

The Company had a profitable third quarter, generated net income of \$543,974, an increase of 82% as compared to net income of \$298,683 in the third quarter of 2018.

For the nine months ended September 30, 2019 and 2018

Revenues increased by 37% or \$679,485 to \$2,521,373 during the nine months ended September 30, 2019 compared to the same period in 2018. As mentioned above, this increase in revenues resulted from RIWI increasing its customer base and recurring revenue streams, and the increased focus on sales activities for new markets and customers.

Total expenses increased by 12% or \$207,405 to \$1,915,973 during the nine months ended September 30, 2019 compared to 2018. The key expenses are summarized as follows:

- a) **General and administrative expenses** increased by 18% or \$259,901 to \$1,677,868 during the nine months ended September 30, 2019 compared to 2018. A significant portion of the increase (\$152,343) was due to the non-cash share-based payment expense of \$541,043. The share-based payment expense in the same nine-month period in 2018 was \$388,700. Salaries expense increased as well, due to hiring of additional staff. The other expenses did not have a material impact on the overall increase.
- b) **Sales and marketing** decreased nominally by \$146 to \$44,556 during the nine months ended September 30, 2019 compared to 2018. The Company has begun spending more on sales and marketing to help introduce RIWI to new markets and customers, while still rigorously monitoring the return-on-investment of all of its sales and marketing expenses.
- c) **Technology costs** decreased by 21% to \$193,549 during the nine months ended September 30, 2019 compared to 2018. The decrease is due to our technological advances that have reduced our technology costs linked to sales, as described above.

RIWI remained profitable for the year, generating net income of \$629,822 during the nine months ended September 30, 2019, an increase of 320%, compared to net income of 149,986 during the same period last year.

For the last 12 months, RIWI increased its revenue by 42%, reaching \$3,347,163 in revenues compared \$2,356,392 for the same period last year, and RIWI increased its profit by 584%, generating net income of \$896,371 compared to net income of \$131,026 for the same period last year.

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SUMMARY OF QUARTERLY RESULTS – EXPRESSED IN U.S. DOLLARS

This is a summary of selected results for the eight most recently completed quarters to September 30, 2019.

Summary of Quarterly Results <i>(in U.S. Dollars)</i>	2019				2018			2017
	Sept. 30	Jun. 30	Mar. 31	Dec. 31	Sept. 30	Jun. 30	Mar. 31	Dec. 31
Revenues	\$ 1,006,368	\$ 841,431	\$ 673,575	\$ 825,789	\$ 801,435	\$ 684,603	\$ 355,850	\$ 514,504
Net income/(loss) for the quarter	543,974	(151,052)	236,900	266,549	298,683	(68,128)	(80,568)	(18,961)
Net income/(loss) per share:								
basic	\$ 0.03	\$ (0.01)	\$ 0.01	\$ 0.02	\$ 0.02	\$ (0.00)	\$ (0.00)	\$ (0.00)
diluted	\$ 0.03	\$ (0.01)	\$ 0.01	\$ 0.01	\$ 0.02	\$ (0.00)	\$ (0.00)	\$ (0.00)

Note: the prior year results may differ by an immaterial amount due to the foreign exchange reconciliation of the CAD figures to the USD figures.

Overall, RIWI has increased its revenues since 2017, culminating in RIWI's highest quarterly revenue in the Company's history. The RIWI team continues to focus on diversifying its client base, signing new long-term contracts and establishing strong recurring revenue streams with clients in all major markets.

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2019, the Company had working capital of \$3,591,259 compared to working capital of \$2,349,503 as at December 31, 2018. This 53% increase results primarily from the Company's increase in sales revenue, and from controlling costs.

	September 30, 2019	December 31, 2018
Current Assets	\$ 3,806,806	\$ 2,536,997
Current Liabilities	(215,547)	(187,494)
Working Capital	\$ 3,591,259	\$ 2,349,503

The Company will continue to assess the necessity for debt or equity financing as we proceed with the development of our business. We may, from time to time, develop additional new products or services to expand our operations beyond the scope that is presently contemplated. This could result in a requirement to seek new financing in order to finance such undertakings. There is no assurance that we will be able to achieve such financings if and when required.

Contractual Obligations and Commitments

The Company's head office currently shares space with a third-party firm. The total lease payments are \$8,947 per month beginning on June 1, 2018, increasing to \$9,053 per month on June 1, 2020. The Company is responsible for 50% of the monthly lease payments. The office lease expires on May 31, 2023.

Contractual Obligations	Payments due by Period				
	Total	Oct. 1 - Dec. 31, 2019	Jan. 1, 2020 - Dec. 31, 2021	Jan. 1, 2022 - Dec. 31, 2023	Jan. 1, 2024 - beyond
Office leases	\$ 200,791	15,460	108,377	76,955	-

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CAPITAL STRUCTURE

- a) **Common Shares:** As of November 26, 2019, the Company has 17,672,700 issued and outstanding common shares. The closing share price prior to November 26, 2019 was CAD \$2.00 per share.
- b) **Stock Options:** As of November 26, 2019, the Company has 1,836,500 options outstanding.
- c) **Share Purchase Warrants:** As at November 26, 2019, the Company no longer has any share purchase warrants outstanding, as the remaining warrants were exercised in November.

Common Shares on a Fully Diluted Basis – as of November 26, 2019

	Expiry date	Exercise Price (CAD)	Number of securities	Number of shares
Common shares issued and outstanding				17,672,700
Stock options, at weighted average exercise price expiring in the year ending:				
	December 31, 2020	\$ 0.86	394,000	
	December 31, 2021	\$ 2.21	282,500	
	December 31, 2022	\$ 2.02	400,000	
	December 31, 2023	\$ 2.00	390,000	
	December 31, 2024	\$ 3.25	370,000	
		\$ 2.04		1,836,500
Common shares, on a fully diluted basis				19,509,200

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Related party transactions are comprised solely of compensation for the Company's key management personnel.

- (a) For the nine months ended September 30, 2019, the Company recognized share-based payment expense of \$541,043 (nine months ended September 30, 2018 – \$388,700) for stock options granted to directors and officers.

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FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

As at September 30, 2019, the Company's financial instruments are comprised of cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities. The amounts reflected in the statement of financial position are carrying amounts and approximate their fair values due to their short-term nature. These financial instruments are classified as at September 30, 2019 as follows:

- Cash and cash equivalents – amortized cost
- Accounts receivable – amortized cost
- Accounts payable and accrued liabilities – other financial liabilities

The evaluation of the financial instruments that are measured subsequent to initial recognition at fair value are grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 of the fair value hierarchy includes unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 of the hierarchy includes inputs that are observable for the asset or liability, either directly or indirectly; and
- Level 3 includes inputs for the asset or liability that are not based on observable market data.

The Company has no financial instruments measured at fair value through profit or loss ("FVTPL").

The following is a discussion of the Company's risk exposures:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's trade accounts receivable are due from customers and are subject to normal credit risk.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they are due. The Company has in place a planning and budgeting process which helps determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company's financial liabilities consist of accounts payable and accrued liabilities and consist of invoices payable to trade suppliers for online advertising technology services, server hosting, general and administrative, and other expenses and are paid within one year. The Company expects to fund these liabilities through the use of existing cash resources and funds raised through equity financings, if required.

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's net earnings or the value of financial instruments. The objective of the Company is to manage and mitigate market risk exposures within acceptable limits, while maximizing returns.

- Interest rate risk:* The Company has cash balances and no interest-bearing debt, and is not exposed to any significant interest rate risk.
- Foreign currency risk:* The Company's activities are conducted in foreign jurisdictions and a portion of the Company's cash and cash equivalents is denominated in Canadian dollars ("CAD"). The Company has not entered into foreign exchange rate contracts to mitigate this risk.

As at September 30, 2019, financial instruments were converted at a rate of US\$1.00 to CAD\$1.3243. Balances denominated in foreign currencies as at September 30, 2019 were as follows:

	In USD	In CAD
Cash and cash equivalents	\$ 2,249,619	\$ 124,380
Accounts Receivable	328,495	-
Accounts Payable	1,710	48,792

The estimated impact on net income for the nine months ended September 30, 2019 with a +/- 10% change in Canadian Dollar exchange rate is approximately \$19,000 (September 30, 2018 – \$1,000).

RIWI CORP.

Management's Discussion & Analysis

For the Three and Nine Months ended September 30, 2019 and 2018

RECENT ACCOUNTING PRONOUNCEMENTS

Certain pronouncements were issued by the IASB or the *International Financial Reporting Interpretations Committee* ("IFRIC") that are mandatory for accounting periods after the date of this MD&A.

IFRS 16, Leases ("IFRS 16")

In January 2016, the IASB issued IFRS 16, Leases. The mandatory effective date of IFRS 16 is for annual periods beginning on or after January 1, 2019. This standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of a low value.

The Company adopted IFRS 16 retrospectively from January 1, 2019, but has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognized in the opening Statement of Financial Position on January 1, 2019.

On transition, the Company has opted to apply the following practical expedients:

- (i) Used a single discount rate to the operating leases; and
- (ii) Opted not to apply IFRS 16 to operating leases for which the lease term ends within 12 months of the date of initial application.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. Assets held under finance leases are stated as assets of the Company at the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated amortization and impairment losses. The corresponding liability to the lessor is included in the Statement of Financial Position as a finance lease obligation. Finance costs are charged to profit or loss over the term of the relevant lease so as to produce an interest charge on the remaining balance of the lease obligations each month.

Adjustments recognized on adoption of IFRS 16

On adoption of IFRS 16, the Company recognized lease liabilities in relation to leases which had previously been classified as "operating leases" under the principles of IAS 17, Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate as of January 1, 2019, which was 6%. A minor adjustment was made to the lease obligation calculation from the disclosure in the March 31, 2019 financial statements.

As at	January 1, 2019
Operating lease obligations as at December 31, 2018	\$ 232,025
Discounted using the Company's incremental borrowing rate of 6%	203,610
Lease obligations as at January 1, 2019	\$ 203,610
Current portion of lease obligations	41,013
Non-current lease obligations	162,597
Lease obligations as at January 1, 2019	\$ 203,610

The right-of-use assets of \$189,455 were measured at the amount equal to the lease obligations of \$203,610, reduced by the prior period lease inducement of \$14,155. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.