

151 Bloor Street West  
Suite 713  
Toronto, Ontario  
M5S 1S4  
Tel:416.792.9088  
[www.iotintl.com](http://www.iotintl.com)



**MANAGEMENT DISCUSSION AND ANALYSIS**

**For the Three Months Ended October 31, 2018**

**Effective Date: December 20, 2018**

The following Management Discussion & Analysis ("MD&A") of Internet of Things Inc. ("the Company" or "ITT Inc.") financial condition and results of operations, prepared as of December 20, 2018, should be read in conjunction with the Company's Condensed Consolidated Interim Financial Statements and accompanying notes for the three-months period ended October 31, 2018, which have been prepared in accordance with International Financial Reporting Standards are incorporated by reference herein and form an integral part of this MD&A. All dollar amounts are in Canadian Dollars unless stated otherwise. These documents can be found on the SEDAR website [www.sedar.com](http://www.sedar.com).

Our MD&A is intended to enable readers to gain an understanding of ITT Inc.'s current results and financial position. To do so, we provide information and analysis comparing the results of operations and financial position for the current year to those of the preceding year. We also provide analysis and commentary that we believe is required to assess the Company's future prospects. Accordingly, certain sections of this report contain forward-looking statements that are based on current plans and expectations. These forward-looking statements are affected by risks and uncertainties that are discussed in this document and that could have a material impact on future prospects. Readers are cautioned that actual results could vary.

### **Cautions Regarding Forward-Looking Statements**

This MD&A contains certain forward-looking statements, which reflect management's expectations regarding the Company's results of operations, performance, growth, and business prospects and opportunities.

Statements about the Company's future plans and intentions, results, levels of activity, performance, goals or achievements or other future events constitute forward-looking statements. Wherever possible, words such as "may," "will," "should," "could," "expect," "plan," "intend," "anticipate," "believe," "estimate," "predict," or "potential" or the negative or other variations of these words, or similar words or phrases, have been used to identify these forward-looking statements. These statements reflect management's current beliefs and are based on information currently available to management as at the date hereof.

Forward-looking statements involve significant risk, uncertainties and assumptions. Many factors could cause actual results, performance or achievements to differ materially from the results discussed or implied in the forward-looking statements. These factors should be considered carefully and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this MD&A are based upon what management believes to be reasonable assumptions, the Company cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this MD&A, and the Company assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including: general economic and market segment conditions, competitor activity, product capability and acceptance, international risk and currency

exchange rates and technology changes. More detailed assessment of the risks that could cause actual results to materially differ than current expectations is contained in the "Quantitative and Qualitative Disclosures of Market Risk" section of this MD&A.

### **Summary Description of Internet of Things Inc.**

Internet of Things Inc. ("the Company" or "ITT Inc.") is a strategic investor and operator of emerging technology companies with innovative technology solutions. The Company creates value through its portfolio companies' expertise in internet of things (IoT), artificial intelligence (AI) and Blockchain solutions, by turning data into actionable intelligence to drive more efficiency into organizations.

The Company has two operational business units including Weather Telematics Inc. ("Weather Telematics" or "WTX"), and New Hope IoT Intl Inc. ("the JV"). Weather Telematics is a data science company offering real-time advanced artificial intelligence based predictive road condition weather analytics for safer, connected and autonomous transportation. The JV, in partnership with New Hope Data Technology Co., Ltd. a New Hope Group (collectively "New Hope") affiliated and invested company, is focused on bringing industrial internet of things solutions to manufacturing facilities across China. The Company has formed strategic relationships with key government and industry organizations, establishing a strong presence with its internet of things solutions and predictive analytics capabilities in order to turn big data into actionable intelligence.

The head office, principal address and registered and records office of the Company are located at 151 Bloor Street West, Suite 703, Toronto, Ontario, Canada, M5S 1S4.

ITT Inc. has undertaken a business transition which began to gather momentum only during the third quarter of 2018 when the Company transitioned from being a software and solutions provider to the internet of things market, to a strategic investor and operator of emerging technology companies with innovative internet of things, artificial intelligence, and blockchain solutions. With this transition, management is pleased to acknowledge this quarter as the inaugural period where the Company has commenced to earn revenue.

Since inception, the Company has incurred losses amounting to \$11,555,695. During the three-month period, the Company reported a net comprehensive loss of \$368,680 (2017 – \$192,831). As at October 31, 2018, the Company had working capital of \$117,195 (2017 working capital deficiency - \$1,022,991). The ability of the Company to continue as a going concern is dependent upon generating profitable operations from its acquisitions or obtaining new debt or equity financings. All of these outcomes are uncertain and cast significant doubt over the ability of the Company to continue as a going concern.

**Corporate Highlights*****New Chief Executive Officer***

Subsequent to the end of this quarter, on December 5<sup>th</sup>, 2018 the Company announced the appointment of Ron Shuttleworth as its Chief Executive Officer. Mr. Shuttleworth succeeds Michael Frank, who had been with the Company since inception and stepped down to pursue other business opportunities.

Mr. Shuttleworth brings 25 years of experience in the technology sector as an operator, investor, analyst and investment banker, specializing in M&A and financings. As an operator, he has held positions of CEO, CTO and Product Manager with direct experience in fintech, enterprise software, and marketing automation. Mr. Shuttleworth also has experience as a venture capitalist investing in early stage technologies and as a hedge fund analyst responsible for selecting stocks and balancing risk in a portfolio. He was a top-ranked research analyst for eight years, specializing in technology, media, and communications.

The Company has granted an aggregate of 2,000,000 incentive stock options to Ron Shuttleworth with a two-year term of which 1,200,000 options have an exercise price of \$0.05 per share, 400,000 options have an exercise price of \$0.135 per share and the remaining balance of 400,000 options have an exercise price of \$0.235 per share, subject to certain performance vesting provisions.

On December 13<sup>th</sup>, 2018 the Company announced that shareholders elected Mr. Shuttleworth as a director of the Company at its annual and special shareholders meeting.

**Operational Highlights*****Weather Telematics Inc.***

On June 1, 2018, the Company completed the acquisition of Weather Telematics Inc (“WTX Inc.”), a data science company offering real-time advanced artificial intelligence based predictive road condition weather analytics for safer, connected and autonomous transportation. Internet of Things Inc. acquired 100% of the issued and outstanding shares of WTX Inc. for \$2.53 million on the following terms:

- (i) \$230,000 in cash paid at closing
- (ii) \$300,000 in cash payable on the 6-month anniversary post-closing
- (iii) 20,833,332 company’s treasury shares priced at \$0.0963, with 50% or 10,416,666 shares to be released over three years in three equal tranches of 3,472,222 shares on the 12th month, 24th month and 36th month anniversaries post-closing. The 50% balance or 10,416,666 shares to be released on WTX Inc. achieving \$8.2 million minimum net sales target over 36 months with pro rata releases every six months

In addition, the Company agreed to pay success fee in cash at the amount of \$48,000 and in shares priced at \$0.0963 for 799,585 common shares.

Since the Company completed the acquisition of Weather Telematics Inc., WTX Inc. has been granted a patent from the European Patent Office for the mobile collection, analysis and processing meteorological data, originally filed in 2015. The patent of Weather Telematics' existing hardware and software solutions enables the collection of granular data, in addition to providing the ability to license and protect its technology. Weather Telematics uses an AI (artificial intelligence) system, a proprietary mobile sensor network and a data fusion platform to generate its information. WTX Inc. has developed a unique set of meteorological data (based on hundreds of millions of miles of road weather data) that allows it to make real-time hyperlocal road condition predictions.

Subsequent to the quarter, the Company and the vendors of WTX Inc. agreed to amend the payment schedule and the \$300,000 previously due on December 1, 2018 will now be paid, net of working capital adjustment, 50% on December 1, 2018, 20% on March 1, 2019 and balance of 30% on June 1, 2019.

#### ***New Hope IoT Intl. Inc.***

- On August 14, 2018, the JV entered into a channel agreement with PointGrab Ltd. to market, sell and service its products in China. Leveraging its innovative sensing technology platform, *CogniPoint™*, PointGrab is poised to pioneer the next generation of office workplace optimization solutions
- Since the closing of Weather Telematics, management has been working to leverage its unique data and technology by integrating it into its manufacturing-process-optimization platform
- The JV will be broadening its scope to become an investment center for industrial internet of things solutions. The JV is currently working with its stakeholders to define the criteria, mandates and funding for this investment strategy. The JV continues to expand the development of its offerings, relationships with technology providers and its application for the market in China.
- Subsequent to the end of the quarter, on December 13<sup>th</sup>, 2018 the Company announced that shareholders elected Mr. Libin Zhao as a director of the Company at its annual and special shareholders meeting.

Libin Zhao brings more than 30 years of experience in operations, business development and mergers & acquisitions. He is also an accomplished turnaround expert, having assisted a number of companies with successfully refinancing their debt, improving their balance sheets, and creating efficiencies in operations leading to profitability. Mr. Zhao led a coal resource integration program in Guizhou Province, PRC successfully implementing

a restructuring strategy that achieved leading market share for coal reserves within the province. He created a new business model to help corporations solve short-term cash-flow deficiencies and improve their competitive advantages. Mr. Zhao has successfully led New Hope Asset Management Co., Ltd. which manages six enterprises with total assets of over \$2 billion.

For the period ended October 31, 2018, there are no liabilities associated with New Hope IoT Intl. Inc. joint venture.

### **Market Trends**

Internet of Things Inc. believes that the global market trends in Internet of Things, Artificial Intelligence, Blockchain, and Big Data adoption are strong and will continue to grow at a rapid pace as the potential to streamline and deliver greater time and cost savings to a broad spectrum of enterprise tasks is proliferating.

Cisco predicts the global Internet of Things market will be \$14.4 Trillion by 2022, including reducing the time-to-market (\$3T), improving supply chain and logistics (\$2.7T), cost reduction strategies (\$2.5T) and increasing employee productivity (\$2.5T). Cisco also found that 50% of IoT activity today is in manufacturing, transformation, smart cities and consumer markets.

Grand View Research predicts that the global industrial IoT market is expected to reach U\$933.62 billion by 2025, up from U\$100 billion in 2016. IoT benefits manufacturers by collecting data from sensors, and communicating those data to factory floor workers, plant managers, software systems and many aspects of the supply chain. The ability of IoT to reduce costs has been the prime factor for its adoption in the industrial sector. However, several significant investment incentives, such as increased productivity, process automation, and time-to-market, have also been boosting this adoption. The falling prices of sensors have reduced the overall cost associated with data collection and analytics.

By 2025, GSMA Intelligence notes that there will over 25 billion IoT connections driven by growth in the industrial IoT market with the Asia Pacific region forecast to become the largest global IoT region in terms of both connections and revenue.

Furthermore, according to BI Intelligence, software and services will be a \$600B market by 2019, attaining a 44% CAGR from 2015 to 2019. The World Economic Forum notes that the number of connected devices is projected to grow from 22.9B in 2016 to 50.1B by 2020, attaining a 21.62% CAGR in four years.

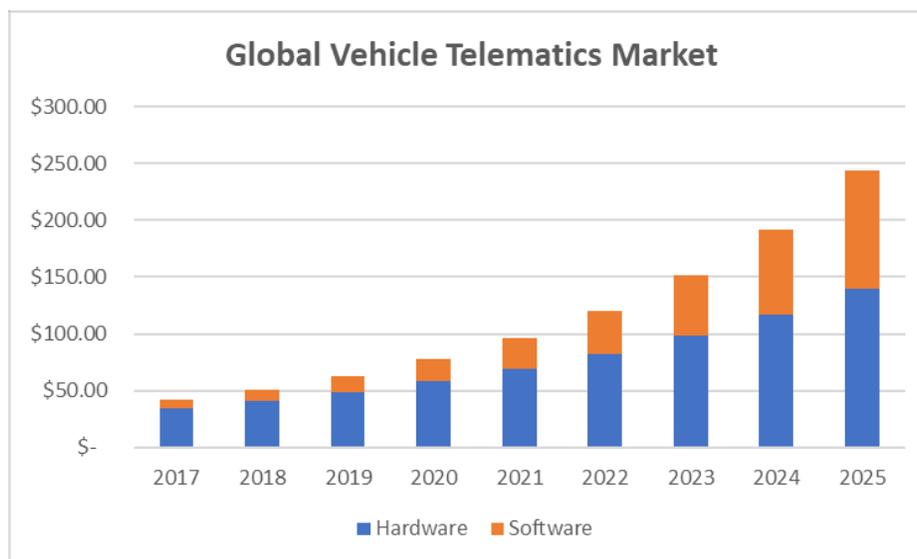
In regard to the market opportunity for automotive telematics and connected cars, MarketsandMarkets reports that the connected car market is valued at U\$52.62 Billion in 2016 and is projected to reach U\$219.21 Billion by 2025, with a compound annual growth rate (CAGR) of 14.8%.

According to PwC's *Strategy & Digital Auto Report 2017*:

- As early as 2025, according to estimates, 58% of all new car sales in Europe, the USA and China will be electric or hybrid vehicles;
- In these same areas today, over 85% of all new cars are already classed as connected, and by 2025 there will be over 470 million connected vehicles on the roads in Europe, the USA and China alone;
- The first “robot cars” (series-ready, self-driving vehicles) are anticipated from 2023 (Level 4) or 2028 (Level 5), and by 2030 there are set to be around 80 million such cars in circulation in these regions; and
- Based on connected and self-driving cars, the so-called “roboconomy” is set to come about, with mobility offerings and the associated, car-related digital services. Customers around the world will spend around EUR 2.2 trillion (US\$2.5 trillion) annually on these.

Grand View Research also notes that the global IoT fleet management market size is expected to touch U\$16.86 billion by 2025 with a CAGR of 20.8% during the forecast period. Introduction of vehicular internet connectivity has triggered the rate of adoption for IoT fleet management. IoT fleet management includes various solutions such as vehicle tracking & monitoring, fleet analytics, fuel management, predictive maintenance, remote diagnostics, and driver performance tracking & monitoring. These solutions enable fleet operators to not only increase their operational efficiency but also assist them in reducing expenses.

Lastly, Adroit Market Research released a report that noted the global vehicle telematics market size was valued at U\$41.66 billion in 2017. In 2017, alone hardware segment generates revenue worth U\$34.67 billion and is expected to grow around 4x by 2025. The market is growing significantly, owing to the increasing digitalization of vehicles to enhance safety & security features such as lane assist, fatigue alert, collision avoiding systems. Advanced Driver-Assistance Systems (ADAS) and Vehicle-to-Everything (V2X) are expected to provide new growth opportunities for the market over the next few years.



The vehicle telematics market has been segmented based on solutions into fleet/asset management, navigation and location-based systems, infotainment systems, insurance telematics, safety and security, remote alarm and incident monitoring solutions, V2X and others. In this segment, fleet management has the largest market share in comparison with the other solutions. Several features of fleet management such as driver assistance system, driver behaviour, tracking of service hours, vehicle performance, and driver & vehicle security are the key parameters driving the growth for fleet management telematics solution.

Internet of Things Inc. is uniquely positioned to take advantage of the market opportunity as a strategic investor and operator of emerging technology companies with innovative technology solutions. Although the market outlook remains positive, there can be no assurance that this trend will continue or that the Company will benefit from this trend.

### **Results of Operation**

The following is a breakdown of company overall operational highlights for the quarter ended October 31, 2018:

	ITT	WTX	Total
Revenue	\$ -	\$ 82,452	\$ 82,452
Expenses	304,706	173,017	477,723
Net Income (Loss)	\$ (304,706)	\$ (90,565)	\$ (395,271)

### ***Revenues***

ITT Inc. commenced sales of its innovative technology products in June 2018 after WTX acquisition and recorded revenues of \$82,452 for the three months period ended October 31,

2018 (2017- \$Nil). Revenues consisted of the sale of predictive road-weather analytics data, software, & hardware.

***General and administrative expenses***

The Company's general and administrative expenses increased from \$83,749 in 2017 to \$269,027 in 2018. This increase in general and administrative expenses is due to the acquisition of WTX and consolidation of its operation in ITT Inc.

***Management fees***

Management fee for the quarter ended October 31, 2018 was \$42,500 compared to \$27,000 in 2017. The increase is due to an addition of chief operating officer to the management team of ITT Inc.

***Direct cost***

The company records all expenses related to its service render as direct cost, including data purchase cost, sales commission expenses and hosting fees. The Company's direct cost was \$21,768 in 2018 for the three-month period ended October 31, 2018 compared to \$nil in 2017. The direct cost is incurred due to the acquisition.

***Professional and consulting fees***

The Company's professional and consulting fees increased from \$22,076 in 2017 to \$102,030 in 2018 for the three-month period ended October 31, 2018. The increase is due to the additional legal service related to WTX acquisition.

***Share-based payments***

The Company amortizes share-based payments with a corresponding increase to the contributed surplus account. During the period, the Company recorded an expense of \$41,956 compared to \$nil during 2017 same period. This is related to the options vested during the quarter.

***Amortization expenses – intangible***

The amortization expenses of intangible were \$Nil for the quarter compared to \$19,831 in 2017. The intangible was written off for the year ended January 31, 2018. There is no further amortization for the intangibles

***Net loss for the period***

The Company experienced a net loss from operations of \$368,680 for the three months ended October 31, 2018 compared to \$152,873 for the comparable three months period ended October 31, 2017.

**Summary of Quarterly Results**

	Q4-18	Q1-19	Q2-19	Q3-19
Revenue	\$ -	\$ -	\$ 63,714	\$ 82,452
Expenses	713,978	285,441	251,926	477,723
Total Comprehensive Loss	(722,408)	(285,397)	(187,189)	(368,680)
Loss per Share - Basic and Diluted	(0.01)	(0.00)	\$(0.00)	\$(0.00)
Total Assets	\$ 1,753,965	\$ 1,664,042	\$ 2,825,167	\$ 2,479,563

	Q4-17	Q1-18	Q2-18	Q3-18
Revenue	\$ -	\$ -	\$ -	\$ -
Expenses	1,538,355	111,440	178,527	152,873
Total Comprehensive Loss	(1,777,924)	(171,725)	(207,191)	(192,831)
Loss per Share - Basic and Diluted	(0.01)	(0.00)	(0.00)	(0.00)
Total Assets	\$ 839,208	\$ 907,263	\$ 880,581	\$ 818,227

**General Financial Condition**

As of October 31, 2018, ITT Inc., had working capital of \$117,195 compared to a working capital deficit of \$1,022,990, as at October 31, 2017. The Company had cash on hand as at October 31, 2018 of \$445,046 (October 31, 2017- \$3,965) and relies on operating cash flow from sales of software and hardware, and future equity and/or debt financings to fund its operations.

**Liquidity and Capital Resources**

As of October 31, 2018, the Company had a working capital \$117,195 as compared to working capital deficiency of \$1,022,991 in 2017.

The Company plans on raising additional working capital through an equity private placement financing or a convertible debt financing, as the capital markets permit, in an effort to finance its growth plans and expansion into new international markets. The Company has been successful in raising sufficient working capital in the past.

Since inception, the Company has incurred losses amounting to \$11,555,695. During the period, the Company reported a net loss of \$395,271 (2017 – \$152,873). The ability of the Company to continue as a going concern is dependent upon generating profitable operations from its current acquisition and change of business, the continuing financial support of shareholders or other investors, or obtaining new financing on commercial terms acceptable to the Company. All of these outcomes are uncertain and cast significant doubt over the ability of the Company to continue as a going concern.

### Property and Equipment

Cost, February 1, 2017	\$ -
Addition	4,612
Cost, October 31, 2017	\$ 4,612
Addition	-
Cost, January 31, 2018	\$ 4,612
Addition	4,800
<b>Cost, October 31, 2018</b>	<b>\$ 9,412</b>
Accumulated depreciation, February 1, 2017	\$ -
Charge for the period	424
Accumulated depreciation, October 31, 2017	\$ 424
Charge for the period	232
Accumulated depreciation, January 31, 2018	656
Charge for the period	1,055
<b>Accumulated depreciation, October 31, 2018</b>	<b>\$ 1,711</b>
Net book value, February 1, 2017	\$ -
Net book value, October 31, 2017	\$ 4,188
Net book value, January 31, 2018	\$ 3,956
<b>Net book value, October 31, 2018</b>	<b>\$ 7,701</b>

### Related Party Balances and Transactions

During the 3-month period, the Company incurred management fees to related parties in the amount of \$42,500 (2017 - \$27,000), \$5,000 (2017 - \$15,000) paid to the CEO, \$12,000 (2017 - \$12,000) paid to the CFO, and \$25,500 (2017 - \$nil) paid to the COO. The Company accrued \$62,500 consulting fee to one director.

The Company was charged \$6,867 (2017 – \$6,195) by a corporation with director and officer in common for rent, administration, office charges and telecommunications.

### Off Balance Sheet Arrangements

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

**Disclosure of Outstanding Share Data**

As of December 20, 2018, the following are outstanding:

Common Shares – 197,424,142

Warrants – 31,975,600

Stock Options – 14,050,000

**Business Risk and Uncertainties**

We are subject to a number of risks and uncertainties that can significantly affect our business, financial condition and future financial performance, as described below. In particular, there remain significant uncertainties in capital markets impacting the availability of equity financing. While these uncertainties in capital markets do not have a direct impact on our ability to carry out our business, the Company may be impacted should it become more difficult to gain access to capital when and if needed. These risks and uncertainties are not necessarily the only risks the Company faces. Additional risks and uncertainties that are presently unknown to the Company may adversely affect our business.

**Limited Operating History**

Internet of Things Inc. has a limited operating history and has limited material revenues derived from operations. ITT Inc. may not be able to achieve profitability or continue operations on an ongoing basis. As well, the Company has encountered and will continue to encounter risks and difficulties frequently experienced by growing companies in rapidly changing industries, including challenges in accurate financial planning and forecasting.

**Problems Resulting from Rapid Growth**

Internet of Things Inc. will be pursuing a plan to market its platform throughout Canada, the United States and abroad, and will require capital in order to meet these growth plans. There can be no assurances that proceeds from the ITT Inc. Financing will enable the Company to meet these growth needs. Internet of Things Inc. expects to require significant working capital and other financial resources to implement its plan for rapid growth, including attracting and retaining qualified personnel. No assurance exists that the plan will be successful and this may have a material adverse consequence on the business of ITT Inc.

**Growth of E-Commerce**

The business of selling goods and services over the Internet is dynamic and relatively new. Concerns about fraud, privacy and other challenges may discourage consumers and customers from adopting the Internet as a medium of commerce.

**Liquidity and Capital Requirements**

Internet of Things Inc. faces significant challenges in order to achieve profitability. There can be no assurance that it will be able to maintain adequate liquidity or achieve long-term viability. ITT Inc.'s ability to meet its obligations in the ordinary course of business is dependent upon management's ability to establish profitable operations or raise capital, as needed, through public, or private debt or equity financing, or other sources of financing to fund operations.

The disruption of the capital markets and/or a decline in economic conditions, amongst other factors, could negatively impact the Company's ability to achieve profitability or raise additional capital when needed. In order to optimize the growth of the business, ITT Inc. may need to seek to raise additional debt or equity financing. There can be no assurance that the Company will be able to identify a source of such financing, or that such financing will be available on acceptable terms, if at all. Moreover, should the opportunity to raise additional capital arise, any additional debt or equity financing could result in significant dilution of the existing holders of ITT Inc. Shares.

**Acquisitions or Other Business Transactions**

Internet of Things Inc. may, when and if opportunities arise, acquire other products, technologies or businesses that are complementary to its business. Acquisitions involve numerous risks, including difficulties in the assimilation of the operations, technologies and products of the acquired companies, the diversion of management's attention from other business concerns, risks associated with entering new markets or conducting operations in industry segments in which ITT Inc. has no or limited experience, and the potential loss of key employees of the acquired company. Moreover, there can be no assurances that any anticipated benefits of an acquisition will be realized. Future acquisitions by the Company. could result in potentially dilutive issuances of equity securities, the use of cash, the incurrence of debt and contingent liabilities, and write-off of acquired research and development costs, all of which could materially adversely affect ITT Inc.'s financial condition, results of operations and cash flows.

**Retention or Maintenance of Key Personnel**

Although Internet of Things Inc.'s management has made efforts to align the interests of key employees with ITT Inc. by, among other things, granting equity interests in ITT Inc. to its operations personnel with vesting schedules tied to continued employment, there is no assurance that the Company can attract or retain key personnel in a timely manner as the need arises. Failure to have adequate personnel may materially compromise the ability of ITT Inc. to operate its business.

**Conflicts of Interest**

Internet of Things Inc. may contract with affiliated parties, members of management of ITT Inc., or companies owned or controlled by members of ITT Inc.'s management. These parties or persons may obtain compensation and other benefits in transactions relating to ITT Inc.

Certain members of management of the Company. have other business activities in addition to the business of ITT Inc., although each such member of management is contracted to devote the substantial majority of his or her working time to the Company. Despite management's intention to act fairly, it is possible that the Company could inadvertently enter into arrangements with related parties that feature less favourable terms than could have been obtained from unrelated parties.

### **Proprietary Rights Could Be Subject to Suits or Claims**

No assurance exists that Internet of Things Inc. or any company with which it conducts business can or will be successful in pursuing protection of the Company's proprietary rights such as business names, logos, marks, ideas, inventions, copyrights in photos and other visual works, and technology. In many cases, governmental registrations may not be available or advisable, considering legalities and expense, and even if registrations are obtained, adverse claims or litigation could occur.

### **Subsequent Events**

- a) On November 28<sup>th</sup>, 2018 the Company announced that its wholly-owned subsidiary Weather Telematics entered into an agreement with the Automotive Parts Manufacturers Association ("APMA") to showcase its innovative road safety data and predictive weather analytics technology in the APMA's Demo Zone demonstration vehicles.

The Autonomous Vehicle Innovation Network (AVIN)/APMA Demo Zone project located in Stratford, Ontario, is designed as a showcase for leading Ontario-based companies in connected and autonomous vehicles, including QNX (subsidiary of BlackBerry), Weather Telematics and others. WTX Inc. will be installing its AI/Machine-Learning-based road risk platform in the Demo Zone vehicles to assist drivers with identifying current and predicted road conditions (dry, wet, snowy and icy) and road weather hazards surrounding the vehicle (hydroplaning, low visibility, wind, hail and lightning strikes).

- b) On November 29<sup>th</sup>, 2018 the Company announced that its wholly-owned subsidiary Weather Telematics will be showcasing its industry-leading road Weather Conditions and Hazards Service at the grand opening of the National Research Council Canada ( "NRC " ) London Manufacturing and Automotive Lab on Friday, November 30<sup>th</sup> in London, Ontario.
- c) On December 5<sup>th</sup>, 2018 the Company announced the appointment of Ron Shuttleworth as its Chief Executive Officer. Mr. Shuttleworth succeeds Michael Frank, who had been with the Company since inception and stepped down to pursue other business opportunities.

Mr. Shuttleworth brings 25 years of experience in the technology sector as an operator, investor, analyst and investment banker, specializing in M&A and financings. As an operator, he has held positions of CEO, CTO and Product Manager with direct experience

in fintech, enterprise software, and marketing automation. Mr. Shuttleworth also has experience as a venture capitalist investing in early stage technologies and as a hedge fund analyst responsible for selecting stocks and balancing risk in a portfolio. He was a top-ranked research analyst for eight years, specializing in technology, media, and communications.

The Company has granted an aggregate of 2,000,000 incentive stock options to Ron Shuttleworth with a two-year term of which 1,200,000 options have an exercise price of \$0.05 per share, 400,000 options have an exercise price of \$0.135 per share and the remaining balance of 400,000 options have an exercise price of \$0.235 per share, subject to certain performance vesting provisions.

- d) On December 13<sup>th</sup>, 2018 the Company announced that all matters were approved at the Company's annual and special shareholders meeting held on December 11, 2018 (the "Annual Meeting").

The shareholders elected Messrs. Ron Shuttleworth, Libin Zhao, Hon. Jerry Grafstein, Gali Bar-Ziv, and Millard Roth as directors of the Company at its Annual Meeting. Mr. Michael Frank did not stand for re-election and the Company would like to thank him for his support and contributions during his term as a director. Shareholders also approved the reappointment of MNP LLP, Chartered Accountants as auditors.

Zhao Libin brings more than 30 years of experience in operations, business development and mergers & acquisitions. He is also an accomplished turnaround expert, having assisted a number of companies with successfully refinancing their debt, improving their balance sheets, and creating efficiencies in operations leading to profitability. Mr. Zhao led a coal resource integration program in Guizhou Province, PRC successfully implementing a restructuring strategy that achieved leading market share for coal reserves within the province. He created a new business model to help corporations solve short-term cash-flow deficiencies and improve their competitive advantages. Mr. Zhao has successfully led New Hope Asset Management Co., Ltd. which manages six enterprises with total assets of over \$2 billion.

The directors held a board meeting subsequent to the Annual Meeting and reappointed Ron Shuttleworth as Chief Executive Officer, Khurram Qureshi as Chief Financial Officer and James Sutcliffe as Chief Operating Officer.

### **Approval**

The Directors of Internet of Things Inc. have approved the disclosure contained in this MD&A.

### **Additional Information**

Additional information relating to the Company can be found on SEDAR at [www.sedar.com](http://www.sedar.com).