PARKIT ENTERPRISE INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF RESULTS OF OPERATIONS AND FINANCIAL POSITION FOR THE THREE AND SIX MONTHS ENDED APRIL 30, 2019

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This Management's Discussion and Analysis ("MD&A") is prepared as of July 2, 2019 and outlines the business strategy, risk profile, business outlook and analysis of financial performance and financial position of Parkit Enterprise, Inc. ("Parkit," or "the Company") for the three and six months ended April 30, 2019 ("Q2 2019"). This MD&A should be read in conjunction with the unaudited condensed consolidated financial statements and accompanying notes for the three and six months ended April 30, 2019 (the "Interim Financial Statements").

This MD&A is based on financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar amounts are in Canadian dollars ("CAD"), unless otherwise stated.

SECTION 1

FORWARD LOOKING STATEMENTS

Certain statements contained in this Management Discussion & Analysis ("MD&A") constitute forward-looking statements. These statements reflect, among other things, management's expectations regarding the Company and the Company's business. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or event to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in, or incorporated by reference into, this MD&A should not be unduly relied upon. These statements are current only as of the date of the MD&A. The Company disclaims any obligation to publicly update or revise such statements to reflect any change in expectations, events, conditions or circumstances on which any such statements may be based, or that may affect the likelihood that actual results will differ from those in the forward looking statements, except as required by National Instrument 51-102.

In particular, this MD&A contains forward-looking statements pertaining to the following:

- Establishment and expansion of business segments
- Capital and general expenditures;
- Projections of market prices and costs;
- Expectations regarding the ability to raise capital; and
- Treatment under governmental regulatory regimes.

Actual results could differ materially from those anticipated in this MD&A as a result of the risk factors set forth below and elsewhere in the MD&A:

- Liabilities inherent in our operations;
- Uncertainties associated with estimated market demand and sector activity levels;
- Competition for, among other things, capital, acquisitions and skilled personnel;
- Fluctuations in foreign exchange or interest rates and stock market volatility; and
- The other factors discussed under "Risk Factors".

These factors should not be construed as exhaustive.

NON-IFRS MEASURES

Certain terms used in the MD&A such as "Earnings Before Interest, Tax, Depreciation and Amortization" ("EBITDA"), "Net Operating Income" ("NOI"), "Income from operations", "Funds From Operations ("FFO"), "Yield", "Occupancy", "Gross Book Value", "Appraised Value", " Capitalization (Cap) Rates", "Investor Rate of Return" and any related per Unit amounts used by management to measure, compare and explain the operating results and financial performance of the Company are not recognized terms under IFRS, and therefore should not be construed as alternatives to net income or cash flow from operating activities calculated in accordance with IFRS. Management believes that these terms are relevant measures in comparing the Company's performance to industry data, and the Company's ability to earn cash from, and invest cash in parking real estate. These terms are defined in this MD&A. Such terms to not have standardized meaning prescribed by IFRS and may not be comparable to similarly titled measures presented by other publicly traded companies.

EBITDA is a non-IFRS measure commonly used as a measurement tool in Canadian businesses. For the purposes of this MD&A, EBITDA is calculated as earnings determined under IFRS less amounts included for interest, taxes, depreciation and amortization included in the IFRS financial statements.

NOI is a non-IFRS measure commonly used as a measurement tool in real estate businesses. For the purposes of this MD&A, NOI is calculated as earnings determined under IFRS less amounts included for corporate expenses, other expenses, interest, taxes, depreciation and amortization included in the IFRS financial statements.

SECTION 2

EXECUTIVE SUMMARY

A summary of the financial and operational highlights follows:

	Three months ended April 30, 2019	Three months ended April 30, 2018	Six months ended April 30, 2019	Six months ended April 30, 2018
Summary of Company's Operations				
Net income (loss)	$ **(455,375)**	$ **154,785**	$ **(710,547)**	$ **(106,976)**
Earnings per share – basic and diluted	$ **(0.01)**	$ **0.00**	$ **(0.01)**	$ **(0.00)**

Summary of Company's Financial Position	As at April 30, 2019	As at January 31, 2019	As at October 31, 2018
Cash	$ **581,732**	$ **3,023,732**	$ **1,830,051**
Working Capital	$ **759,854**	$ **1,099,205**	$ **(15,965)**
Net assets	$ **20,784,675**	$ **21,237,718**	$ **20,858,183**

- Book value decreased $453,043 in the quarter from $21,237,718 at January 31, 2019, to $20,784,675 at April 30, 2019; and represents approximately $0.60 per share.
- Cash represents approximately $0.02 per share.
- The working capital at January 31, 2019 included a tax liability of $1,981,816 (October 31, 2018 - $1,981,514) for estimated U.S. taxes on the taxable profits from the joint venture. The joint ventures have a December 31 tax year-end, and there was uncertainty to the amount of an expected timing of the tax liability. During the three months ended April 30, 2019 the Company's US subsidiary paid taxes totalling $2,329,527for its updated estimated tax payable for its December 31, 2018 tax year-end, and 2019 tax instalments, with $316,048 tax expense recognized in the quarter.

- Subsequent to April 30,2019, the Company received $794,167 in cash distributions from the joint venture, and $151,232 in cash for receipt of amounts receivable as of April 30, 2019. Based on the Company's 12-month cash flow forecast, it will have sufficient funds to meet its current obligations and corporate overheads.

Joint Venture Update

- The Company's participation in its joint venture generated a profit of $68,653 for Q2 2019 compared to $37,349 profit for Q1 2019 and $97,226 profit to the same period in prior year.

  OP Holdings JV LLC ("OP Holdings)

  - Q2 2019 includes four properties held in the OP Holdings joint venture portfolio compared to six properties held in the same period in the prior year
    - In October 2018, one of the single purpose entities held by OP Holdings sold Expresso Parking, its parking facility located at Oakland Airport in California. Expresso was bought by the joint venture in 2015 for approximately US$19.2 million (consisting of an equity investment of US $7 million) and was sold for approximately US $36.1 million.
    - In Q3 2018, one of the single purpose entities held by the "Joint Venture" sold Terra Park, its parking facility located in Jacksonville, Florida. Terra Park was bought by the Joint Venture in 2015 for US$6.4 million (consisting of an equity investment of US $2.4 million) and was sold for US $6.83 million plus an additional sum of US $750,000 paid in equal monthly installments over one year. The OPH portfolio now holds four properties compared to the original six properties held at the joint venture formation in 2015.
    - The joint venture agreement details a multi-staged priority payment waterfall for the distribution to members on any Initial Property Capital Proceeds. With the sale of Expresso, the 15% IRR target to the Majority Member was reached. Due to the fulfillment of this 15% IRR hurdle, cash flows from future sales and debt re-financings within the joint venture will flow to PAVe, an entity in which Parkit has an 82.43% interest, until PAVe has received a 15% IRR. PAVe is a 29.45% equity member of OP Holdings JV LLC. This was a major development for Parkit because for the first time since entering into the joint venture in 2015, Parkit will be the beneficiary of asset sales and refinances that occur within the joint venture.
  - Revenue for just the remaining four properties in Q2 2019 increased 8% compared to the same period in prior year.
  - The Company received cash distributions from PAVe LLC of $957,908 for the six months ended April 30, 2019 as compared with $174,436 in the same period in prior year.

  Nashville

  - The Company's 50% interest in the Fly-A-Way Parking facility in Nashville recorded a loss of $18,403 for the quarter compared to a loss of $20,302 the same period in prior year. Cost control and marketing initiatives were implemented with the last year to restore profit growth. The Company remains confident in the long-term potential of this asset.

BUSINESS OVERVIEW

Parkit Enterprise Inc. is an alternative real estate investment firm engaged in the acquisition, optimization, and asset management of income-producing parking facilities across the United States and Canada. As asset manager and investor, the Company has multiple sources of revenue (management fees, acquisition fees, and earnings in equity). Parkit will aggregate a large portfolio of assets, the market value of which will benefit from yield improvement and scale premium. Upon disposition, Parkit will realize capital gains and incentive distributions.

As a listed asset manager and investor, the combination of income streams and gains in intrinsic value (unrealized capital gains) provide Parkit shareholders a rare opportunity for leveraged returns alongside institutional private equity.

The Company's primary asset and source of revenue is an effective 24.39% equity interest in OP Holdings JV LLC ("OP Holdings," or "the joint venture"). On April 22, 2015, the Company entered into a joint arrangement with Parking Real Estate, LLC ("PRE") and Och-Ziff Real Estate to form OP Holdings JV, LLC ("OP Holdings") (the "Transaction"). Upon closing the Transaction, OP Holdings acquired six assets, including two in which Parkit held equity, Expresso Airport Parking ("Expresso") and Canopy Airport Parking ("Canopy"). Four assets remain in the portfolio following the sale Expresso and another property in 2018. The majority member of OP Holdings is Och-Ziff Real Estate ("Och-Ziff"), a division of an institutional asset manager.

As part of the Transaction, the Company's subsidiary, Greenswitch America and PRE jointly created separate legal entities, Parking Acquisition Ventures, LLC ("PAVe LLC") and PAVe Admin, LLC to manage and oversee the parking assets of OP Holdings as an administrator. The Company has an 82.83% economic interest in PAVe LLC, which is a 29.45% equity member of OP Holding. PAVe Admin is an entity created for legal purposes and holds no assets or liabilities.

In addition, the Company acquired on October 30, 2015 a 50% indirect investment in Fly-Away Airport Parking ("Fly-Away Parking"), servicing the Nashville International Airport.

Parkit and its strategic partner, PRE, are responsible for the asset management activities of OP Holdings and Fly-Away Parking. PRE is comprised of senior executives at Propark America, Inc. ("Propark"), an established parking manager with a three-decade history of managing and developing parking facilities.

Parkit's shares trade on the TSX-Venture Exchange under the symbol PKT, and the OTCQX under the symbol PKTEF.

Additional information related to the Company is available on SEDAR at www.sedar.com.

STRATEGIC DIRECTION

Parkit's investment strategy is to maximize shareholder value through growing income streams, and increasing the intrinsic value of portfolio assets. Investments provide income growth through management fees, incentive fees and returns on invested equity. Targeted acquisitions will have current free cash flow, opportunities for yield enhancement and in certain circumstances opportunity for repositioning to strategic buyers. Combined, these factors increase the Company's intrinsic value significantly over time. While Parkit's assets are not marked-to-market, and gains in intrinsic value are not recognized in the Company's financial statements, this value is ultimately monetized on disposition.

The Company believes that a geographically diversified parking real estate portfolio possesses excellent potential to generate attractive risk-adjusted returns. On a macro level, both the improving fundamentals of the US economy and the continued strength of the US dollar should provide positive long-term benefits for shareholder value.

Parkit's primary investment is in a joint venture, OP Holdings, alongside with Och-Ziff Real Estate and Parking Real Estate LLC. As with Fly-Away Parking, Parkit will also acquire assets independent of OP Holdings, either outright or jointly, with the objective of incubating or optimizing assets for sale into the joint venture or elsewhere.

For further information visit the Company's website at www.parkitenterprise.com.

SECTION 3

SUMMARY OF OPERATIONS

A summary of the results of operations for the three and six month periods ended April 30, 2019 and 2018 follows:

	Three months ended April 30, 2019	Three months ended April 30, 2018	Six months ended April 30, 2019	Six months ended April 30, 2018
Parking services revenue	$ 15,000	$ -	$ 40,000	$ -
Parking services operating expenses	(17,182)	-	(36,904)	-
Fee income	38,461	50,769	74,390	103,290
Share of profit from associate	11,064	37,884	21,436	76,714
Share of profit from joint ventures	68,653	97,226	106,002	107,954
General and administrative expenses	(297,471)	(185,972)	(635,511)	(380,688)
Income from operations	(181,475)	(93)	(430,587)	(92,730)
Foreign exchange gain (loss)	39,831	153,513	33,108	(16,372)
Finance income	2,317	2,324	2,980	3,085
Income (loss) before tax	(139,327)	155,744	(394,499)	(106,017)
Income tax (expense) recovery	(316,048)	(959)	(316,048)	(959)
Net income (loss) for the period	$ (455,375)	$ 154,785	$ (710,547)	$ (106,976)

Discussion of results for the three-month period ended April 30, 2019

For the three-month period ended April 30, 2019 ("Q2 2019"), the Company reported a net loss of $455,375 (Q2 2018 – net profit of $154,785). The more significant items are discussed below.

Parking services revenue and expenses

On July 6, 2018, the Company announced that it had purchased the operating assets of Smart Parking Solutions Canada Inc. ("Smartpark"). The purchase included parking management agreements in the Greater Toronto Area, as well as permit management agreements with municipal and institutional clients in the United States. In late 2018 the Company started terminating parking agreements, with the last remaining contract terminated in May 2019.

The company recognized parking services revenue of $15,000, and parking services operating expenses $17,182 in Q2 2019. Expenses include equipment rental, contractor fees and salaries, and other operating costs.

Fee income

The Company receives service fees as the asset manager of OP Holdings. In Q2 2019, the Company earned fees of $38,461 (Q2 2018 – $50,769). The fee is payable in USD. The reduction in fee income reflects the reduction in the value of the assets under management after the sale of the Terra Park property on June 29, 2018 and the sale of the Expresso property on October 5, 2018.

Share of profit from associate

The Company's share of profit from associate represents its equity participation of income in Green Park Denver whose only significant asset is an earnings-based contingent receivable from OP Holdings. The decrease in Q2 2019 compared to Q2 2018 reflects the updates to assumptions of the estimated weighted probability of the timing of the payment of the final tranche.

Share of profit from joint ventures

The Company recorded $68,653 (Q2 2018 - $ 97,226) in book profits from joint ventures, which reflects the Company's share of profits from PAVe LLC (OP Holdings and Fly-Away Parking).

The Company's participation in OP Holdings generated a profit $103,606 in Q2 2019 (Q2 2018 - $117,528).

- Q2 2019 includes four properties versus six properties in Q2 2018.
- Revenue for the four properties held in both periods increased 8% in Q2 2019 compared to Q2 2018.
- Roadwork construction surrounding Canopy Denver was completed in December 2017; however, there is increased competition from two new parking facilities that have opened in the area. Strategies have been put in place to incentivize parkers displaced during construction to return to Canopy and recruit first-time users to the facility. Revenue for Canopy increased 11% in Q2 2019 compared to Q2 2018, and NOI increased 23%.

The Company's participation in Fly-Away Parking generated a loss of $18,403 in Q2 2019 (Q2 2018 –$20,302). Management continues to monitor the performance of Fly-Away Parking and to evaluate the cost control and marketing initiatives implemented by Propark in 2018 to help restore profit growth at Fly-Away Parking.

Q2 2019 also includes $16,550 allocation of administrative expenses of the joint venture.

All revenues, operating expenses and share of profit from joint venture are in US dollars and translated to CAD dollars for the financial statements. Thus quarter-on-quarter comparisons are subject to variation in foreign exchange fluctuation. See the commentary in "Investments" later in this section 3 for commentary of the results of the joint venture in USD.

General and administrative expenses

	Three months ended April 30, 2019	**Three months ended April 30, 2018**
Management salaries and fees	$ 98,615	$ 73,801
Director fees	24,300	24,600
Share-based payments	2,332	-
Professional fees	82,186	51,947
Other administrative expenses	59,830	35,624
Amortization	30,208	-
Total	**$ 297,471**	**$ 185,972**

Management, salaries and fees increased consistent with an increase in personnel in Q2 2019 compared to Q2 2018.

Professional fees increased consistent with an increase in the number of consultants in Q2 2019 compared to Q2 2018; and reflects an increase in legal and audit activity undertaken in Q2 2019 compared to Q2 2018.

Other administrative expenses in Q2 2019 reflects increased costs in establishing a Toronto office in July 2018. Also, the Company is actively attending trade-shows and conferences in 2019 compared to 2018.

Amortization expense in Q2 2019 relates to the amortization of intangible assets purchased in July 2018 from Smart Parking. The remaining amortization was recognized in full as of April 30, 2019 as the Company had exited the last remaining contract in May 2019.

Foreign exchange

The foreign exchange loss of $39,831 (Q2 2018 - $153,513) which reflects the changes of in exchange rates during the respective quarters on the translation of the Company's US$ cash balances and US$ receivables.

Income tax expense

The Company's U.S. subsidiary is subject to U.S. tax on its partner's share of the profit and losses from its investment in joint ventures. The joint ventures have a December 31 tax year-end. During the year ended October 31, 2018, the joint ventures reported capital gains from the sale of properties. The Company had estimated its U.S. tax liability based approximately on its equity percentage of the joint venture's estimated taxable income. However, the Company received a substantially lower amount of distributions from those property dispositions pursuant to the joint venture agreement. Under the first stage of the multi-stage waterfall distribution, the majority member was entitled to a payment priority of receiving all capital distributions until it reached a benchmark return.

At October 31, 2018, there was uncertainty to the amount of the 2018 taxable partnership income from the joint ventures that will be allocated to the Company's U.S. subsidiary, and whether any portion of the resulting tax liability can be deferred.

During the six months ended April 30, 2019 the Company's US subsidiary paid taxes totalling $2,329,527 for its updated estimated tax payable for its December 31, 2018 tax year-end, and 2019 tax instalments, with the Company recognizing an income tax expense of $316,048 in Q2 2019.

<u>Discussion of results for the six-month period ended April 30, 2019</u>

For the six-month period ended April 30, 2019 ("6M 2019"), the Company reported a net loss of $710,547 (6M 2018 – $106,976).

Explanations of the main drivers of the six-month variances are consistent with those for the three-month analysis for the following items.

Additional information for the 6M analysis.

Share of profit from joint ventures

The Company recorded $106,002 (6M 2018 - $107,954) in book profits from joint ventures.

- The Company's participation in OP Holdings generated a profit of $185,057 in 6M 2019 (6M 2018 - $223,811), a decrease of income of $38,755.
- The Company's participation in Nashville generated a loss of $62,505 in 6M 2019 (6M 2018 - $108,004), a decrease of loss of $45,499.
- The Company's share of the joint venture's corporate expenses was $16,550 in 6M 2019 (6M 2018 - $7,853), an increase of loss of $8,697.

General and administrative expenses

		Six months ended April 30, 2019		Six months ended April 30, 2018
Management salaries and fees	$	195,107	$	146,554
Director fees		48,600		49,200
Share-based payments		6,824		-
Professional fees		193,730		106,323
Other administrative expenses		145,417		78,611
Amortization		45,833		-
Total	**$**	**635,511**	**$**	**380,688**

FINANCIAL POSITION

The following table presents consolidated information for the latest interim period and the two most recently completed fiscal years:

		April 30, 2019		October 31, 2018		October 31, 2017
Current Assets	$	856,125	$	2,041,379	$	2,477,221
Long Term Receivable[(1]		1,288,608		1,261,632		1,261,965
Investment in Associate		1,239,094		1,217,658		1,146,054
Investment in Joint Ventures		17,497,119		18,349,025		12,508,779
Intangible assets		-		45,833		-
Total Assets	**$**	**20,880,946**	**$**	**22,915,527**	**$**	**17,394,019**
Current Liabilities	$	96,271	$	2,057,344	$	9,252
Total Equity	$	20,784,675	$	20,858,183	$	17,384,767
Total Liabilities and Equity	**$**	**20,880,946**	**$**	**22,915,527**	**$**	**17,394,019**

As at April 30, 2019, Current Assets are composed of $0.6 million of cash and cash equivalents and $0.3 million of accounts receivables, and prepaid expenses and deposits. The cash and cash equivalent assets are retained by the corporate entity for operational expenses and future investment. The accounts receivable balance includes asset management fees, withholding taxes receivable and the short-term portion of the Long-Term Receivable owing to Parkit from Parking Real Estate ("PRE").

The Long Term Receivable represents advances (net of repayments) made by Parkit to PRE for the purpose of PRE's funding of investments in income producing properties and related costs of acquisition. This advance does not receive interest. As at April 30, 2019, the aggregate of the current and non-current portions of the Long Term Receivable balance was $1.34 million (US$1.0 million) of which $0.05 million (US$0.04 million) is to be repaid from the assignment of certain distributions due to PRE and the balance of $1.29 million (US$0.96 million) is to be repaid upon a disposition of properties from OP Holdings or an exit from OP Holdings.

Investment in Associate is the Company's equity share of assets held in Green Park Denver, and represents the remaining fair value of conditional consideration to be received from the sale of Canopy. The third and final tranche of the contingent consideration receivable is payable following the disposition of certain assets in OP Holdings.

Investment in Joint Ventures decreased to $17.50 million as at April 30, 2019 from $18.35 million as at October 31, 2018. This decrease is a result of cash distributions of $0.96 million received during the period, which is partially offset by $0.11 million recorded book profit. Properties in the portfolio are not marked-to-market.

The working capital at January 31, 2019 included a current tax liability of $1,981,816 (October 31, 2018 - $1,981,514) for estimated U.S. taxes on the taxable profits from the joint venture. The joint ventures have a December 31 tax year-end, and there was uncertainty to the amount of an expected timing of the tax liability. During the three months ended April 30, 2019 the Company's US subsidiary paid taxes totalling $2,329,527for its updated estimated tax payable for its December 31, 2018 tax year-end, and 2019 tax instalments, with $316,048 tax expense recognized in the quarter.

INVESTMENTS

ALL INVESTMENTS ARE IN THE UNITED STATES. ALL RESULTS IN THE INVESTMENT SECTION DISCUSSION ARE IN US DOLLARS

The Company has an investment in a joint venture, PAVe LLC, which holds the Company's investments in OP Holdings and Fly-Away Parking.

Parking Acquisition Ventures LLC ("PAVe LLC" or "PAVe")

PAVe LLC has different classes of membership units, and the entitlements to distributions from these investments are different among each class. The Company is currently entitled to an 82.83% economic allocation of distributions from OP Holdings to PAVe LLC. However, the Company determined it does not control PAVe LLC as control is shared jointly with PRE, and accordingly it accounts for the entity as a joint venture.

Following the Company's reinvestment of a portion of the first tranche of the contingent consideration in 2016, PAVe LLC's equity interest in OP Holdings increased from 25% to 26.12%, and the Company's equity interest in PAVe LLC increased from 86.67% to 88.84%. Following the Company's and PRE's reinvestment of a portion of the second tranche of the contingent consideration in 2017, PAVe LLC's equity interest in OP Holdings increased to 29.45% and the Company's equity interest in PAVe LLC decreased to 82.83%. (See "OP Holdings" below).

The Company has established that through PAVe LLC's role as an administrator and equity member of OP Holdings, PAVe LLC is able to exert significant influence over OP Holdings and accordingly PAVe LLC accounts for its 29.45% interest in OP Holdings as an investment in associate.

On October 30, 2015, the Company invested US$677,865 in PAVe LLC for the acquisition of Fly-Away Parking by PAVe Nashville, LLC ("Nashville"). Nashville is held by PAVe LLC directly, and is not part of OP Holdings. The Company is entitled to a 50% economic allocation of distributions from Nashville to PAVe LLC.

Equity earnings Q2 2019 from the PAVe joint venture was US$51,537 (Q2 2018 - US$76,220), which includes earnings from OP Holdings of US$77,776 (Q2 2018 - US$92,136), losses from Fly-Away Parking of US$13,815 (Q2 2018 – net loss of $15,916) as well as PAVe expenses of US $12,424 (Q2 2018 - US $Nil).

OP Holdings (Investment in Joint Venture)

OP Holdings is an investment vehicle that was used to acquire a portfolio of income producing parking assets. Parkit acquired a 21.67% membership in OP Holdings (through its PAVe joint venture) for US$6.2 million in April 2015 and pursuant to the joint venture agreement, contributed a further US$1.4 million of the first earn-out consideration and, at the end of April 2017, a further US$1.5 million of the second earn-out consideration. PAVe LLC currently holds a 29.45% membership in OP Holdings, with Parkit holding a net 24.39% membership in OP Holding through its 82.83% holding in PAVe. The majority member of the joint venture is Och-Ziff Real Estate, a real estate private equity firm based in the United States.

In April 2015, OP Holdings acquired six assets at an 8% cap rate, for a total of US$82.6 million, assuming full payment of associated conditional earn-outs. The initial property portfolio includes two assets in which Parkit held equity, Canopy and Expresso, as well as four additional facilities described below.

- ‘Chapel Square’ located in New Haven, Connecticut (Commercial/business district)
- ‘Terra Park’ located in Jacksonville, Florida (Commercial/business district)
- ‘Riccio Lot’ located in New Haven, Connecticut (University and medical facility)
- ‘Z Parking’ located in East Granby, Connecticut (Bradley International Airport).

In June 2018, Terra Park was sold for US $6.83 million plus an additional sum of US $750,000 payable in equal monthly installments over one year. Terra Park was bought by the Joint Venture in 2015 for US$6.4 million (consisting of an equity investment of US $2.4 million).

In October 2018, Expresso Parking was sold for approximately US $36.1 million. Expresso was bought by the joint venture in 2015 for approximately US$19.2 million (consisting of an equity investment of US $7 million).

Going forward, Parkit will provide 5% of the equity component of future acquisitions made by OP Holdings. To date, pursuant to the OP Holdings joint venture and the PAVe LLC operating agreements, contributions of US$1,652,000 have been made by PAVe LLC in respect of any future capital commitments of the Company, of which the Company contributed US$725,000, representing the excess contributions made by the Company from the first and second earn-out contingent consideration earned.

In October 2017, OP Holdings successfully finalized the refinancing of the debt portfolio of the six parking facilities that was to be used to retire all existing senior debt with excess funds payable to members of OP Holdings. As part of the refinancing, updated appraisals of the six properties were obtained in July 2017. The increase in the appraised value of the properties allowed OP Holdings to increase the amount of the debt facility. The loan-to-value on the new financing agreement was approximately equal to the loan-to-value of the prior financing entered into in April 2015. The net excess proceeds received in OP Holdings from the debt refinancing was deemed a capital event and US$8.62 million was distributed to the majority member pursuant to the terms of the joint venture agreement. The joint venture agreement details a multi-staged priority payment waterfall for the distribution to members on any Initial Property Capital Proceeds. The Company will be entitled to receive future distributions on any Initial Property Capital Proceeds as the various requirements of the distribution waterfall are achieved.

As a result of the retiring the old debt facilities, OP Holdings was also able to distribute the release of escrow funds. The release of these funds was separate from the capital funds distributed per the above paragraph, and the Company received a cash distribution of US$129,773 in October 2017 for its share from the release of escrow funds.

Also, as a result of this refinancing, OP Holdings recognized additional one-time expenses and the write-off of deferred financing costs associated with extinguishment of the old debt. The Company’s share of these additional costs amounted to approximately US$196,000.

During Q2 2019, the Company earned portfolio asset management fees from OP Holdings of US$28,872 (Q2 2018 – US$39,800). Pursuant to the joint venture agreement, the asset management fees were reset to a lower rate following the first and second anniversaries of the closing of the OP Holdings transaction in April 2015. The decrease in fees earned in 2018 also reflected the reduction in the value of the assets under management after the sale of the Terra Park property on June 29, 2018 and the sale of the Expresso property on October 5, 2018. Any future disposals of the remaining properties in the portfolio will also decrease the management fees earned by the Company.

Equity earnings for Q2 2019 from the OP Holdings joint venture was US$77,776 (Q2 2018 – US$92,136).

- Q2 2019 includes four properties versus six properties in Q2 2018.
- Revenue for the four properties held in both periods increased 8% in Q2 2019 compared to Q2 2018.
- Roadwork construction surrounding Canopy Denver was completed in December 2017; however, there is increased competition from two new parking facilities that have opened in the area. Strategies have been put in place to incentivize parkers displaced during construction to return to Canopy and recruit first-time

users to the facility. Revenue for Canopy increased 11% in Q2 2019 compared to Q2 2018, and NOI increased 23%.

During Q2 2019, the Company received cash distributions from OP Holdings of US$143,013 (Q2 2018 - $Nil).

Total cash distributions of US$3.1 million have been received since inception in April 22, 2015 to April 30, 2019, resulting in an annual cash yield for the investment of approximately 8.5% [Distributions of US$3.1 million received from April 22, 2015 to April 30, 2019 / 1,469 days investment held * 365 days / the Company's total contributions to date total of US$9.05 million]. This cash yield does not include principal repayments on the properties.

A central component of the Parkit strategy is to realize capital gains on the assets upon an exit. However, the accounting rules do not allow the Company to carry its joint venture investments on its balance sheet at a fair value that reflects any appreciation in value beyond that initially recognized at the time of the acquisition and as adjusted for the earn-out consideration. Therefore, any unrealized gain that may arise after the date of acquisition, and taking into account any payment of the earn-out consideration paid, is not reflected on the statement of operations, or in the carrying value on the balance sheet. Further, the carrying value of the joint venture investments is reduced by the amount of any cash distributions to the Company and increased by the amount of related book profits attributable to the Company. To the extent distributions exceed book profits the carrying value is reduced. These factors combine to provide a book value that the Company believes is lower than the current fair value of its joint ventures, and supports a premium per-share intrinsic value for Parkit shareholders.

Nashville Fly-Away Parking

On October 30, 2015, the Company invested US$677,865 in PAVe LLC for the acquisition of Fly-Away Parking ("Fly-Away Parking") by PAVe Nashville, LLC ("Nashville"). Fly-Away Parking is a 1,140 stall, 8.5 acre facility servicing the Nashville International Airport. The US$8.0 million acquisition was completed with US$5.4 million of financing at LIBOR plus 230 basis points, amortizing for periods up to 25 years. In addition, US$1.2 million of vendor financing was utilized at 4% amortizing over 5 years.

In Q2 2019 Fly-Away Parking generated a loss for the Company of US$13,815 (Q2 2018 – loss of US$15,916). Management continues to monitor the performance of Fly-Away Parking and to evaluate the cost control and marketing initiatives implemented by Propark in 2018 to help restore profit growth at Fly-Away Parking. The Company commissioned an updated third-party appraisal that was completed in February 2018, and the Company concluded that no impairment was required to be recognized.

CASH FLOW SUMMARY

A summary of the Company's consolidated cash flows for the six months ended April 30, 2019 and 2018 is as follows:

		April 30, 2019		April 30, 2018
Cash used in operating activities	$	(2,871,974)	$	(447,588)
Cash provided by investing activities		957,908		214,309
Cash provided by financing activities		630,215		-
Increase in cash and cash equivalents		(1,283,851)		(233,279)
Foreign exchange effect on cash		35,532		(8,822)
Cash balance, beginning of the period		1,830,051		2,200,195
Cash balance, end of period	**$**	**581,732**	**$**	**1,958,094**

Operating Activities:

Net cash used in operating activities for the six months ended April 30, 2019 was $2,871,974, compared to $447,588 for the six months ended April 30, 2018. During the six months ended April 30, 2019 the Company's US subsidiary paid taxes totalling $2,329,527 for its updated estimated tax payable for its December 31, 2018 tax year-end, and 2019 tax instalments. For further details, see comments for "income tax expense" in the "Discussion of results for the three-month period ended April 30, 2019" in Section 3.

Investing Activities:

Net cash provided by investing activities for the six months ended April 30, 2019 was $957,908, compared to $214,309 for the six months ended April 30, 2018. The cash provided by investing activities in 6M 2019 includes $957,908 (6M 2018 - $174,436) in distributions from its PAVe LLC joint venture. 6M 2018 also includes the assignment by PRE to the Company of its management fee received during the period to repay a portion of the PRE loan receivable.

Financing Activities:

Net cash provided by financing activities for the six months ended April 30, 2019 was $630,215 comprised of $718,271 in proceeds received from a rights offering completed in December 2018 less related share issuance costs of $88,056. The Company did not undertake any financing activities during six months ended April 30, 2018.

Rights Offering Completed in December 2018

In December 2018, Parkit closed its rights offering (the "Rights Offering") announced on November 7, 2018. A total of 2,476,795 common shares were issued raising $718,271 from the rights offering. The Company intends to use the proceeds of the Rights Offering for identification and evaluation of new projects.

Parkit offered each shareholder resident in Canada 0.5336 of one right (each whole right, a "Right") for each common share ("Share") held on November 14, 2018, entitling the holder to purchase one share for each right at a price of $0.29 per share.

KDI Corporation Ltd., B&M Miller Equity Holdings Inc. Leonite Capital LLC, and Brad Dunkley entered into standby purchase agreements with Parkit, pursuant to which they each agreed to purchase $700,000 in units. The standby guarantors are directors or companies controlled by directors of the Company, and are considered related parties to Parkit. In connection with such agreements, the standby-guarantors acquired 2,413,790 shares. As Leonite Capital LLC is resident in the United States it satisfied its commitment to purchase 862,068 shares through a non-brokered private placement and as a result the shares issued to Leonite are subject to a hold period that will expire on April 19, 2019.

SECTION 4

LIQUIDITY AND CAPITAL RESOURCES

At April 30, 2019, the Company had a working capital of $581,732 (October 31, 2018 - working capital of deficit of $15,965). As at April 30, 2019, the Company had a cash balance of $581,732 to settle current liabilities of $96,271.

Subsequent to April 30,2019, the Company received $794,167 in cash distributions from the joint venture, and $151,232 in cash for receipt of amounts receivable as of April 30, 2019.

Based on the Company's 12-month cash flow forecast, it will have sufficient funds to meet its current obligations and corporate overheads.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

The Company's total future aggregate minimum office lease payments over the remaining lease term to February 28, 2020 are as follows:

		April 30, 2019
Not later than one year	$	31,360

On July 1, 2018, the Company entered into an office lease agreement with an officer of the Company for premises located in Toronto, Ontario. The premises were previously leased to Smart Parking Solutions Canada Inc. The two-year office lease can be terminated at any time by the Company with sixty days' notice. The minimum monthly rent is $1,200 plus operating costs and taxes.

The Company has a commitment to contribute 5% of any capital call made by the joint venture. Capital calls will be made for the purpose of acquiring new parking real estate assets as jointly agreed by the members, and at other times as the joint venture may require capital. Management estimates this commitment to be US$7.5 million based on investment targets set out at the inception of the joint venture in April 2015. Pursuant to the OP Holdings joint venture and the PAVe LLC operating agreements, upon earning the second earn-out contingent consideration, member contributions to OP Holdings in respect of any future capital commitments approximate US$1,652,000, of which the Company's contribution is approximately US$725,000.

In connection with the acquisition of Fly-Away Parking, Greenswitch America together with PAVe and two other parties (collectively the "Borrowers") entered into a loan and security agreement pursuant to which the Borrowers received a bank loan in the principal amount of US$5,460,000 as partial consideration for the acquisition (the "Loan"). In connection with the Loan, the Borrowers have each granted a security interest in all of their present and future assets and property including the property and assets of Fly-Away Parking. The loan bears interest at LIBOR plus 235 basis points and matures on October 30, 2020.

There are no other sources of financing that the Company has arranged but not yet utilized.

CONTINGENCIES

None.

OFF BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

PROPOSED TRANSACTIONS

Unless otherwise mentioned in the Management's Discussion & Analysis there were no proposed transactions.

OUTSTANDING SHARE DATA

As at the date of this report, the Company has

- 34,854,257 (April 30, 2019 - 34,854,257) issued and outstanding common shares;
- 1,445,000 (April 30, 2019 - 1,445,000) common share stock options outstanding;
- no common share purchase warrants outstanding.

PARKIT ENTERPRISE INC

SECTION 5

SELECTED QUARTERLY INFORMATION

The following table sets forth the selected financial information of the Company on a consolidated basis for each of the eight most recent financial quarters:

Financial ($000's)	April 30, 2019	January 31, 2019	October 31, 2018	July 31, 2018
Parking services – net	$ (2)	$ 5	$ 14	-
Fee income	38	36	43	$ 49
Share of profit from associate	11	10	(45)	40
Share of profit from joint venture	69	37	5,549	676
Expenses(1)	(611)	(334)	(2,461)	(365)
Share-based payments	(2)	(4)	(5)	(20)
Foreign exchange gain (loss)	39	(7)	31	46
Net income (loss) for the period	(455)	(255)	3,127	428
Per share – basic	$ (0.01)	$ (0.01)	$ 0.11	$ 0.01

Financial ($000's)	April 30, 2018	January 31, 2018	October 31, 2017	July 31, 2017
Fee income	-	-	$ 47	$ 48
Share of profit from associate	$ 51	$ 53	38	39
Share of profit from joint venture	38	38	43	385
Expenses(1)	97	11	(210)	(160)
Share-based payments	(186)	(195)	-	-
Loss on disposal of office equipment	-	-	-	-
Foreign exchange gain (loss)	154	(170)	117	(318)
Net income (loss) for the period	155	(262)	36	(5)
Per share – basic and diluted	$ 0.00	$ (0.01)	$ 0.00	$ (0.00)

Note (1): Expenses include general and administrative expenses (excluding share-based payments) and tax expense/recovery

Variations in the reported share of profits from the joint venture (PAVe) are impacted by the seasonality effect on the parking business. OP Holdings disposed of Terra Park in 3Q 2018 and Expresso in 4Q 2018 for a net profit, and is the main driver of the increase in the share of profits from joint venture, and the related tax expense for those quarters. The share of profits in PAVe was also negatively impacted by the reduction in profit reported by OP Holding in the quarter ended October 31, 2017. OP Holdings successfully refinanced its debt portfolio in October 2017. However, as result of this refinancing, OP Holdings recognized additional one-time expenses and the write-off of deferred financing costs associated with extinguishment of the old debt. The Company's share of these additional costs amounted to approximately $245,000 and is the main driver of the reduction of the Company's share of profit in joint ventures recorded for both the quarter and year ended October 31, 2017.

At October 31, 2018, there was uncertainty to the amount of the 2018 taxable partnership income from the joint ventures that will be allocated to the Company's U.S. subsidiary, and whether any portion of the resulting tax liability can be deferred. Q2 2019 reflects the true-up of previous tax estimates.

Additionally, the US$ - C$ exchange rate movements during the quarters give rise to foreign exchange gains and losses, which can have a significant impact on the net income or loss reported for the period.

SECTION 6

RELATED PARTY TRANSACTIONS

Compensation of key management personnel

Senior management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly and indirectly. Senior management personnel include the Company's executive officers and members of the Board of Directors.

	Six months ended April 30, 2019	Six months ended April 30, 2018
Total for all senior management		
Short-term benefits	$ 186,600	$ 153,600
Share based payments	6,824	-
	$ 193,424	$ 153,600
Total for all directors		
Short-term benefits	$ 48,600	$ 49,200
Share based payments	-	-
	$ 48,600	$ 49,200
Total	$ 242,024	$ 202,800

Transactions with related parties

Included in accounts payable and accrued liabilities as of April 30, 2019 is $3,829 (October 31, 2018 - $11,006) in amounts due to related parties for expense reimbursements.

Pursuant to the terms of employment agreements with two officers, the Company will grant 100,000 incentive stock options on or about the first anniversary of July 1, 2019. No stock options have been granted as of July 2, 2019.

On July 1, 2018, the Company entered into an office lease agreement with an officer of the Company for premises located in Toronto, Ontario. The two-year office lease can be terminated at any time by the Company with sixty days' notice. The minimum monthly rent is $1,200 plus operating costs and taxes.

SECTION 7

SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The Financial Statements have been prepared in accordance with IAS 34, "Interim financial reporting". The accounting policies adopted in the Financial Statements are consistent with those adopted in and set out in Note 2 to the Company's audited financial statements as at and for the year ended October 31, 2018.

New accounting policies

Effective November 1, 2018, we adopted new IFRS pronouncements – IFRS 9, Financial Instruments (IFRS 9) and IFRS 15, Revenue from Contracts with Customers (IFRS 15). The effect of adoption of these new pronouncements is outlined below and in more detail in Note 3 to our interim consolidated financial statements as at April 30, 2019. We have also provided an overview below of IFRS 16, Leases (IFRS 16), a new IFRS pronouncement that has been issued but is not yet effective. We are required to apply IFRS 16 effective for our fiscal year starting November 1, 2019.

IFRS 9 – Financial Instruments

IFRS 9 addresses the classification, measurement and recognition of financial assets and financial liabilities and supersedes the guidance relating to the classification and measurement of financial instruments in IAS 39, Financial Instruments: Recognition and Measurement ("IAS 39").

IFRS 9 requires financial assets to be classified into three measurement categories on initial recognition: (i) those measured at fair value through profit and loss ("FVTPL"); (ii) those measured at fair value through other comprehensive income ("FVOCI"); and (iii) those measured at amortized cost. The previous IAS 39 categories of held to maturity, loans and receivables and available for sale are eliminated. Investments in equity instruments are required to be measured by default at fair value through profit or loss. However, there is an irrevocable option for each equity instrument to present fair value changes in other comprehensive income. Measurement and classification of financial assets is dependent on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change relating to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch.

There has been no change in the carrying value of the Company's financial instruments resulting from the changes to the measurement categories as noted above.

IFRS 9 introduces a new three-stage expected credit loss model for calculating impairment for financial assets. IFRS 9 no longer requires a triggering event to have occurred before credit losses are recognized. An entity is required to recognize expected credit losses when financial assets are initially recognized and to update the amount of expected credit losses recognized at each reporting date to reflect changes in the credit risk of the financial assets. In addition, IFRS 9 requires additional disclosure requirements about expected credit losses and credit risk.

The Company recognizes in the statements of operations, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized. The loss allowance was $nil as at April 30, 2019 and October 31, 2018.

IFRS 15 – Revenue Recognition

The Company has adopted all the requirements of IFRS 15 as of November 1, 2018. IFRS 15 replaced IAS 18 Revenue, IAS 11 Construction Contracts, and related interpretations on revenue, which had no impact on the Company's consolidated financial statements.

IFRS 16 – Leases

In January 2016, the IASB issued IFRS 16 Leases, replacing IAS 17 Leases. For lessees applying IFRS 16, all leases are considered finance leases and will be recorded on the statements of financial position. The only exemptions to this classification will be for leases that are twelve months or less in duration or for leases of low-value assets. Lessor accounting however remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 requires lessees and lessors to make more extensive disclosures than under IAS 17.

IFRS 16 is effective for years beginning on or after January 1, 2019, with early adoption permitted if the entity is also applying IFRS 15. The Company is currently evaluating the impact of adopting IFRS 16 on the consolidated financial statements.

Critical judgments and estimates in applying accounting policies

The preparation of condensed consolidated interim financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation and judgment uncertainty that management has made at the end of the reporting period may result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made.

In preparing the Interim Financial Statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those in the Company's Consolidated Financial Statements for the year ended October 31, 2018.

SECTION 8

FINANCIAL INSTRUMENTS

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

There are three levels of fair value hierarchy that prioritize the inputs to valuation techniques used to measure fair value, with level 1 inputs having the highest priority. The levels used to value the Company's financial assets and liabilities are described below.

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly, i.e. as prices, or indirectly, i.e. derived from prices.
- Level 3 – Inputs for the asset or liability that are not based on an observable market, i.e. unobservable inputs.

The fair value of the Company's accounts receivable, long-term receivable, accounts payable and accrued liabilities, approximate carrying value, which is the amount recorded on the consolidated statements of financial position.

Cash and cash equivalents are carried at fair value in accordance with Level 1 of the fair value hierarchy, being unadjusted quoted prices in active markets for identical assets or liabilities.

SECTION 9

RISKS AND UNCERTAINTIES

Readers should carefully consider the risks and uncertainties described in the Company's MD&A for the year ended October 31, 2018 (available on the SEDAR website at www.sedar.com) before deciding whether to invest in the common shares of the Company.

SECTION 10

CONTROLS AND PROCEDURES

For the purposes of National Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings, the Company is a Venture Issuer and has made no representations relating to the design and evaluations of the disclosure controls and procedures ("DC&P") and internal controls over financial reporting ("ICFR") and it has not completed such an evaluation. Inherent limitations on the ability of the certifying officers to design and implement on a cost effective basis DC&P and ICFR may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.