Wishpond Technologies Ltd.
Management's Discussion & Analysis
For the year ended December 31, 2020

All amounts herein are in Canadian Dollars unless otherwise stated.

INTRODUCTION

This Management Discussion and Analysis of the results of operations, cash flows, and financial position ("**MD&A**") of Wishpond Technologies Ltd. (formerly Antera Ventures I Corp.), ("**Wishpond**" or the "**Company**") was prepared by management of the Company, and approved by the board of directors of the Company ("the **Board of Directors**"). References in this MD&A to "us", "we", and "our" mean Wishpond unless the context otherwise suggests.

This annual MD&A discusses material changes in the Company's financial condition, financial performance, and cash flows for the year ended December 31, 2020. Such discussion and comments on the Company's liquidity and capital resources should be read in conjunction with the Company's audited financial statements and related notes for the year ended December 31, 2020, which have been prepared in Canadian dollars using International Financial Reporting Standards ("**IFRS**").

Management of the Company is responsible for ensuring that processes are in place to provide sufficient knowledge to support the representations made herein. The Board of Directors provides an oversight role with respect to all public financial disclosures by the Company and has reviewed this MD&A and the accompanying financial statements.

The Chief Executive Officer and Chief Financial Officer of the Company, in accordance with National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings* ("**NI 52-109**"), have both certified that they have reviewed the annual financial statements and this MD&A (together, the "**Annual Filings**") and that, based on their knowledge having exercised reasonable diligence, that (a) the Annual Filings do not contain any untrue statements 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 the Annual Filings; and (b) the annual financial report together with the other financial information included in the Annual Filings fairly present. in all material respects the financial condition, financial performance, and cash flows of the Company, as of the date of and for the periods presented in the Annual Filings.

Investors should be aware of the inherent limitations of certifying officers of a venture issuer to design and implement, on a cost-effective basis, appropriate Disclosure Controls and Procedures and Internal Controls over Financial Reporting as defined in NI 52-109. Such limitations may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

This MD&A is dated and approved by the Board of Directors as of April 27, 2021.

FORWARD-LOOKING STATEMENTS

Certain statements in this MD&A may constitute forward-looking statements, including those identified by the expressions such as "anticipate", "believe", "estimate", "expect", "foresee", "intend", "plan", or similar expressions to the extent that they relate to the Company or its management. The forward-looking statements are not historical facts but reflect the Company's current assumptions and expectations regarding future events. Forward-looking statements in this MD&A include but are not limited to statements regarding subscriber additions, the variability of the revenues going forward, anticipated market trends and technology adoption by customers and industry peers, anticipated growth in revenue and expenses, the potential impacts of additional expenditures on revenue growth rates, the sufficiency of cash on hand and the Company's ability to obtain the financing necessary to continue operations. There can be no assurance that such statements will prove to be accurate, and actual results and future events may differ materially from those anticipated in such statements. These forward-looking statements are subject to a number of risks and uncertainties that could cause actual results or events to differ materially from current expectations and assumptions, including but not limited to the following:

- there can be no assurance that the Company will earn any profits in the future or that profitability, if achieved, will be sustained;

- if the Company is not able to achieve profitability, it will require additional equity or debt financing, and there can be no assurances that the Company will be able to obtain additional financial resources on favourable commercial terms or at all;

- the Company's quarterly revenues and operating results may fluctuate, which may harm its results of operations;

- the loss of business from a major customer, or operator, could reduce the Company's sales and harm its business and prospects;

- the market for software as a service is at a relatively early stage of development, and if it does not develop or develops more slowly than expected, the Company's business may be harmed;

- the Company faces competition from other software solution providers, which may reduce its market share or limit the prices it can charge for its software solutions;

- a global economic downturn or market volatility may adversely affect the business and/or its ability to complete new financings;

- the business of the Company may be harmed if it does not continue to penetrate markets;

- the success of the business depends on the Company's ability to develop new products and enhance its existing products;

- the Company's growth depends in part on the success of its strategic relationships with third parties;

- the financial condition of third parties may adversely affect the Company;

- the US dollar may fluctuate significantly compared to the Canadian dollar, causing fluctuations in earnings and cash flow as most of the revenues are received in US dollars while most of the expenses are payable in Canadian dollars;

- subscription services which produce the majority of the Company's revenue are hosted by a third party service for the Company and any interruption in service could harm its results of operations;

- the Company may be liable to its customers or third parties if it is unable to collect data or it otherwise loses data;

- the Company may be liable for the handling of personal information;

- intellectual property claims against the Company may be time consuming, costly to defend, and disruptive to the business;

- the Company uses open source software in connection with its products which exposes it to uncertainty and potential liability;

- economic uncertainty and downturns in the software market may lead to decreases in the Company's revenue and margins;
- any significant changes in the technological paradigm utilized for building or delivering applications in smartphone devices could harm the Company's business and prospects; and
- if the Company loses any of its key personnel, its operations and business may suffer.

Please see the "Risks & Uncertainties" section in this document for a complete discussion of these and other risks. Readers are cautioned not to place undue reliance on forward-looking statements. Management undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

COMPANY OVERVIEW

The Company is a provider of marketing focused online business solutions. As at December 31, 2020, the Company had approximately 130 employees and full-time contractors globally and its head office is located at Suite 1000 - 1500 West Georgia Street, Vancouver, BC.

The Company offers an "all-in-one" platform that provides companies with marketing, promotion, lead generation, and sales conversion capabilities. Wishpond replaces entire marketing functions in an easy-to-use platform for a fraction of the cost while enabling its customers to manage all major aspects of their marketing function in a centralized platform. The Company provides proprietary cloud-based software for lead generation, marketing automation, and analytics, including landing pages, social promotions, website pop-ups, online forms, lead activity tracking, and email marketing, among others. Moreover, Wishpond provides a wide range of integrated marketing services, including campaign design and management, online advertising, search engine optimization, and landing page design, among others.

Wishpond serves almost 3,000 customers, primarily small-to-medium sized businesses ("**SMBs**") across various industries, including e-commerce, marketing agencies, beauty, fitness, and design, among others. In addition to SMBs, the platform is also used by several large blue-chip companies across North America.

Since 2017, Wishpond was focused on developing a sales engine that delivers predictable revenue and growth and Wishpond continues this development. For that purpose, management has developed a proprietary process that provides systematic lead generation and a targeted strategy for nurturing and converting them successfully. Wishpond's sales cycle is relatively short, with the majority of deals closing in under twenty days. Therefore, the sales pipeline is continually being refilled. In addition to the outbound sales team, Wishpond has an inbound sales team devoted to attracting, nurturing, and converting incoming leads from its website, blog, social media channels, webinars, etc.

OPERATIONAL HIGHLIGHTS

Qualifying transaction

The Company was originally incorporated as Antera Ventures I Corp. (or "**Antera**") on June 20, 2018 pursuant to the *Business Corporations Act* (British Columbia) (the "**BCBCA**"). Antera was previously a capital pool company (or "CPC") that began trading under the symbol "ANTI.P" on the TSX Venture Exchange (the "**Exchange**") on January 15, 2019.

On September 10, 2020, the Company entered into a binding merger agreement (the "**Merger Agreement**") by way of a three-cornered amalgamation among the Company, Wishpond Technologies Ltd. ("**Wishpond PrivCo**") and 1264881 B.C. Ltd., a wholly owned subsidiary of the Company, with such transaction constituting the qualifying transaction (as defined in the policies of the Exchange) of the Company (the "Qualifying Transaction" or "**QT**"). Wishpond PrivCo is a private company incorporated on February 21, 2007 pursuant to the BCBCA as Domus Energy Inc. and subsequently changed its name to Wishpond Technologies Ltd. on May 29, 2009.

In connection with the QT, Wishpond PrivCo completed a brokered private placement financing (the "**Financing**") of 6,133,000 subscription receipts of Wishpond PrivCo (the subscription receipts or **SRs**") pursuant to an agency agreement dated October 15, 2020 between Wishpond PrivCo, the Company, Beacon Securities Limited and PI Financial Corp. As partial consideration for the Financing, Wishpond PrivCo issued an aggregate of 471,607 broker warrants of Wishpond PrivCo (the "**Broker Warrants**"). Each Broker Warrant entitles the holder thereof to acquire one post-Consolidation share at an exercise price of $0.75 for a period of 24 months from the closing date of the QT.

The QT was completed on December 8, 2020. Pursuant to the terms of the Merger Agreement and in connection with the QT:

- the Company consolidated (the "**Consolidation**") its shares on the basis of one (1) post-Consolidation share for every 4.646720625 pre-Consolidation shares;
- all of the SRs converted into Wishpond PrivCo common shares;
- Wishpond PrivCo and SubCo amalgamated under the provisions of the BCBCA by way of a three cornered amalgamation, and the resulting entity became a wholly owned subsidiary of the Company;
- all of the issued and outstanding securities of Wishpond PrivCo were exchanged for post-Consolidation securities of the Company on the basis of approximately 3.2439938 post-Consolidation shares for each Wishpond PrivCo share; and
- the Company changed its name to "Wishpond Technologies Ltd."

The Wishpond Shares resumed trading on the Exchange at market open on December 11, 2020 under the symbol "WISH" as a Tier 1 technology issuer.

Impact of COVID-19

The global outbreak of COVID-19 created significant uncertainties in the business community due to restrictions put in place by governments around the world regarding travel, business operations, and isolation orders. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently or may be put in place by Canada and other countries to fight the virus.

COVID-19 created certain challenges due to the uncertainty introduced in the economy and the global business sector. In March 2020, management took significant measures to reduce operating expenses and preserve cash where possible. One of the significant reductions was office rent expense. Management negotiated a rent deferral arrangement with the landlord to defer a portion of the rent for four months (May through August 2020), to be repaid over the balance of the lease term expiring on December 31, 2021. Subsequent to the expiration of the Vancouver office lease in December 2021, the Company is expected to realize significant cost savings, partially offset by the cost of flexible shared workspace arrangements in areas with high employee concentration.

Starting in March 2020, the Company also took significant measures to transition into a fully-remote model, operating primarily online with employees working seamlessly across several time zones. This transition into a remote business model will enable the Company to access strong talent globally and integrate them efficiently into its current systems and processes. Moreover, a portion of the cost savings from the foregone lease expenses will be reinvested in other areas such as online tools and resources to ensure that employees and contractors have the necessary elements to succeed while working remotely.

During February and March 2020, Wishpond experienced some paused accounts and cancellations, primarily coming from the most impacted industry verticals, including brick-and-mortar retailers and travel/tourism. Fortunately, Wishpond's customer base is highly diversified, and each of those verticals represents a small portion of the total revenues. In April, the Company's sales started experiencing a robust recovery primarily driven by the e-commerce sector, representing the most prominent customer segment at approximately 25% of total revenues. Subsequent months continued to show strong revenue growth with continued momentum into the winter.

Management believes that COVID-19 will radically transform the business landscape with a growing number of companies and consumers doing business online and avoiding gatherings in crowded stores and business centers. This will require companies to establish and/or expand their online presence to allow customers to find and reach them remotely, thereby significantly accelerating the shift to digital experienced in the past decades. Wishpond is confident that these trends are here to stay, and all strategic decisions and initiatives will continue to focus on facilitating this transformation seamlessly for business owners.

Despite these economic risks and uncertainties, Wishpond continues to have ambitious growth targets and has access to the necessary financial, human, and technical resources to accelerate its growth trajectory over the upcoming months. COVID-19 has created challenges and pressures for companies without an online presence to quickly transition to an online business model to reach global customers with little dependence on physical sales. Such trends create favorable tailwinds for Wishpond to empower business owners to make a successful transition online while generating healthy returns on their marketing dollars.

Significant developments for the year ended December 31, 2020

Significant developments for the year ended December 31, 2020 for both Wishpond PrivCo and the Company include the following:

- In January 2020, Juan Leal joined Wishpond PrivCo's executive team to lead the financial transformation of the Company, execute the QT, and lead the corporate development efforts. Juan's background is in corporate finance, and mergers and acquisitions ("**M&A**"), having worked at KPMG's corporate finance and assurance practices, leading and executing several global M&A transactions across multiple industries.

- In July 2020, Wishpond PrivCo entered into a letter of intent with the Company in connection with the QT.

- In July 2020, Wishpond PrivCo entered into a debt conversion agreement (the "**Debt Conversion Agreement**") to convert the shareholder loan in the amount of $4,508,845 into 1,851,206 Wishpond PrivCo common shares, which converted into 6,005,301 post-Consolidation shares in connection with the QT.

- In September 2020, Wishpond PrivCo, the Company and SubCo entered into a binding merger agreement in respect of the QT.

- In September 2020, Wishpond PrivCo issued a convertible debenture with a face value of $150,000 (the "**Wishpond Debenture**"), convertible into Wishpond PrivCo common shares at a deemed issue price equal to the lesser of $1.709289 per Wishpond PrivCo common share and a 30% discount to the deemed price per Wishpond PrivCo common share immediately prior to or concurrent with the closing of the QT.

- In October 2020, $56,550, representing the aggregate balance of the loan held with Business Development Bank of Canada ("**BDC**") in principal and interest including all other amounts owing, was repaid in full.

- In October 2020, Wishpond PrivCo closed the Financing, for gross proceeds of approximately $4.6 million, which included an upsize from the original minimum offering amount of $3.0 million and the full exercise of the over-allotment option.

- In November 2020, the Debt Conversion Agreement and the Wishpond Debenture were converted into 1,851,206 and 88,075 Wishpond PrivCo common shares respectively (6,005,301 and 285,715 post-Consolidation shares respectively) in accordance with their respective terms.

- On December 8, 2020, the QT was completed and the Company changed its name to "Wishpond Technologies Ltd." in connection therewith.

- On December 11, 2020, the Wishpond Shares commenced trading on the Exchange under the symbol "WISH" as a Tier 1 technology issuer.

- On December 11, 2020, the Company appointed Olivier Vincent to Board of Directors. Mr. Vincent is a serial entrepreneur and technology executive. Mr. Vincent has a strong track record running and creating mobile, artificial intelligence, and search-based companies. He is the co-founder of Autozen, an innovative marketplace in the automobile industry. He was founder and CEO of Canpages Inc., a digital local company which grew to over $100 million in revenue before being sold for $225 million. Mr. Vincent previously held senior management roles with Verizon International, was vice-president and treasurer of the Anglo-Canadian Telephone Company and head of Dominion Information Services.

Events subsequent to December 31, 2020

M&A:

In Q1 2021, the Company announced the completion of two strategic acquisitions, delivering on its previously announced strategy of accelerating growth efforts through the acquisition of marketing and sales technology companies, as well as digital marketing agencies with a recurring-revenue model. The following provides an overview of the two acquisitions completed:

- **Invigo Media Corp. and its affiliates:** On January 7, 2021, Wishpond completed the acquisition of substantially all of the assets of Invigo Media Corp. and its affiliates, EverGenius LLC, and Invigo Media LLC (the "**Invigo Group**" or "**Invigo**"). Based in Surrey, BC, Invigo is a profitable and growing marketing technology and services company primarily focused on serving medical clinics. Over the last six months Invigo has achieved an annualized revenue run-rate of approximately $2.7 million and EBITDA margins exceeding 20%.

  Founded in 2015, Invigo is revolutionizing medical marketing practices through a comprehensive range of digital marketing services for medical clinics throughout the United States and Canada. Invigo has generated thousands of leads/patients using a systematic and formulaic marketing process. Invigo has served some of the leading medical companies across numerous industries including health & wellness, cosmetic dentistry, plastic surgery, orthopedics, cardiology, dentistry, dermatology, pain management and ophthalmology.

  Invigo has also developed its own proprietary technology solutions providing advanced client relationship management and performance marketing tools which are complementary to Wishpond's "all-in-one" marketing platform and will help to accelerate Wishpond's own product roadmap. Over the past five years, the Invigo Group has developed a comprehensive client retention and relationship management software, “EverGenius”, tailored to the medical and adjacent industries designed to generate, nurture, and convert leads from a centralized platform. The platform’s key features include customer relationship management (“**CRM**”), reputation management, call tracking, marketing automation tools, mobile marketing through SMS, pay-per-click management, sales funnels, and analytics.

In consideration for the acquisition of Invigo, Wishpond provided a cash payment of $835,000 and a two-year performance earn-out that may be paid in cash, Wishpond Shares, or a combination thereof, at the company’s discretion. The two year earn-out will be based on Adjusted EBITDA of the acquired business and is payable on a quarterly basis. Based on the business’s projected post-closing EBITDA, the Company anticipates the total purchase price to be approximately $3.0 million, including the closing cash payment and the earn-out payments. Any shares will be issued at a deemed price per Wishpond Share equal to the prior 5-day VWAP of the Wishpond Shares on the Exchange on the payment date. Any Wishpond Shares issued in connection with the earn-out will be subject to a restricted period of four months and one day from the date of issuance.

- **PersistIQ Inc**: On February 26, 2021, the Company completed the acquisition of all of the equity interests in PersistIQ, Inc. (“**PersistIQ**”). Based out of San Mateo, California, PersistIQ is a high performing software-as-a-service company which provides sales engagement technologies to empower salespeople and entrepreneurs.

  Founded in 2014, PersistIQ is a sales automation software developer with a platform that successfully integrates its users’ sales communication, existing workflow, CRM and marketing automation systems. PersistIQ’s commitment to developing a robust sales automation and communication platform with highly advanced functionality has resulted in a software that shortens the sales cycle, enables users to personalize each and every campaign and has increased the effectiveness of sales teams through its ability to allow for personalized campaigns to be launched in minutes, leading to more conversations started from cold leads.

  PersistIQ has a base of approximately 800 clients and has generated recurring revenue of US$1.1 million with EBITDA margins of approximately 20% in 2020. Through the acquisition, it is expected that PersistIQ will expand Wishpond’s capabilities into the sales automation and communication space. As a result, significant cross-selling opportunities and new customer segments will be made available to Wishpond. PersistIQ's client base consists primarily of small-medium sized businesses, which is consistent with Wishpond's target market.

  In consideration for the acquisition of PersistIQ, Wishpond paid US$1.0 million in cash and issued 663,388 Wishpond Shares at a deemed price per Wishpond Share of $1.8915 (representing the 5-day volume weighted average price (VWAP) of the Wishpond Shares on the Exchange on the closing date) for aggregate share consideration of US$1.0 million on closing, and granted the vendors a one year earn-out of approximately US$1.0 million and up to a maximum of US$2.0 million, based on the projected revenue of the business (the “**Earn-Out**”). The Earn-Out payments are payable on a quarterly basis commencing on June 1, 2021 in cash or by the issuance of Wishpond Shares, at the sole option of Wishpond, at the 5-day VWAP of the Wishpond Shares. Any Wishpond Shares issued in connection with the acquisition will be subject to a restricted period of four months and one day from the date of issuance, as well as restrictions pursuant to applicable US securities laws.

Bought Deal Public Offering:

- On February 5, 2021, Wishpond closed its previously announced bought deal public offering of 4.6 million Wishpond Shares at a price of $1.75 per Wishpond Share (the "**Offering Price**") for gross proceeds of $8.05 million (the "**SFP Offering**"), which includes the exercise in full of the underwriters' over-allotment option. The SFP Offering was led by Beacon Securities Limited as lead underwriter and sole bookrunner, on behalf of a syndicate of underwriters, including PI Financial Corp., Desjardins Securities Inc., Haywood Securities Inc. and Paradigm Capital Inc. (collectively, the "**Underwriters**").

- The Company intends to use the net proceeds of the SFP Offering for strategic acquisitions, including the related transaction costs, and for working capital and general corporate purposes. For more information, please see the final short form prospectus of the Company dated February 1, 2021 (the "**Final Prospectus**"), posted on the Company's SEDAR profile at www.sedar.com.

- In consideration for the services provided by the Underwriters in connection with the SFP Offering, the Company paid the Underwriters a commission equal to 7% of the gross proceeds raised under the Offering and issued to the Underwriters an aggregate of 313,766 non-transferable compensation options (the "**Compensation Options**"), which represents 7% of the number of Wishpond Shares sold under the Offering, in each case subject to reduction as disclosed in the Final Prospectus. Each Compensation Option is exercisable into one Wishpond Share at the Offering Price, subject to adjustments in certain events, until February 5, 2023.

Product Development

- On February 23, 2021, Wishpond launched its Payments Product, a new service enabling merchants to collect payments directly from the landing pages, without the need to refer them to an external website or payment gateway. This feature is expected to represent a new source of revenue for the Company as it will be collecting fees on payments processed through its landing pages and websites.

- On April 14, 2021, Wishpond launched its Funnels Product, a new feature that allows for progressive lead profiling and upselling opportunities. Such features represent a powerful addition to the landing page editor, increasing its effectiveness at profiling and converting new leads.

OVERALL PERFORMANCE & DISCUSSION OF OPERATIONS

The following table summarizes the Company's recent results of operations as of the dates below and for the periods indicated below. This information should be read together with the Financial Statements.

	Twelve-months ended December 31, 2020 $	**Twelve-months ended December 31, 2019 $**
Revenue	7,882,018	6,050,303
Gross profit	5,229,099	3,901,297
Gross margin	66%	64%
Adjusted EBITDA(1)	494,902	103,477
Net increase in cash during the period	7,036,010	121,266
Cash - end of the period	7,305,546	269,536

¹Defined in the "Additional GAAP And Non-GAAP Measures" section in this MD&A.

Revenue:

Wishpond's revenue is derived from the sale of rights to use its software and provision of digital marketing services. Substantially all of Wishpond's revenue is considered subscription-based recurring revenue. Wishpond's two main revenue streams consist of the following:

1. ***Software Subscription Revenues ("Self-serve"):*** subscription agreements provide customers with the right to use Wishpond's suite of cloud-based marketing software. Pricing is based on a tiered system driven by features accessed and the number of leads generated. Customers have the option to subscribe on a monthly or annual basis. Software subscription revenues are recognized over the term of the related contracts.

2. ***Marketing Subscription Revenues ("Fully-managed"):*** customized professional marketing services are offered to customers on a subscription basis and include a combination of software solutions and "done-for-you" marketing services. Services typically include landing page design, contest campaigns, ad campaigns, SEO services, among others. Normally, marketing contracts are annual with a monthly billing cycle. Marketing subscription revenues are recognized over the term of the related contracts.

For the year ended December 31, 2020, Wishpond achieved revenues of $7,882,018, compared to $6,050,303 for the comparable period in fiscal 2019, representing a year-over-year increase of 30%.

- The increase in revenue was driven primarily by the following:
    - **Outbound sales channel**: Incremental investment in outbound sales, including the hiring of an experienced sales team lead, additional sales professionals, and robust training and monitoring efforts. As of December 31, 2020, the Company had 12 account executives, compared to six as of January 1, 2020.
    - **Upselling efforts**: Continued focus on up-selling customers from lower-value to higher-value plans. Such efforts consist primarily of transitioning customers from technology-only plans (i.e. Self-serve) to Fully-managed plans to help them achieve superior results through the help of Wishpond's professional digital marketing team.

The Company is not aware of seasonal factors causing variations in financial results.

Revenue Segmentation:

Geographic sales based on customer location are detailed as follows:

	Twelve-months ended December 31, 2020 $	**Twelve-months ended December 31, 2019 $**
United States	6,168,157	4,293,508
Canada	780,831	855,686
Other	933,030	901,109
Total	**7,882,018**	**6,050,303**

During the year ended December 31, 2020, the Company had one major customer that accounted for $1,935,875 or 25% of total revenues recognized ($831,607 or 14% of total revenues recognized for the year ended December 31, 2019). The Company had no other customers that accounted for more than 10% of total revenues for the years ended December 31, 2020 or December 31, 2019.

Cost of Sales and Gross Margin

The cost of sales primarily consists of hosting services, email infrastructure, direct labour related to the Fully-managed plans, and payment processing fees. Such costs are primarily correlated with movement in revenue. During the year ended December 31, 2020, the Company achieved gross margins of 66%, compared to gross margins of 64% achieved in the comparable period in fiscal 2019.

During the year ended December 31, 2020, the Company reduced its estimated US state sales tax exposure as a result of reassessing its expected US state sales tax obligation as at December 31, 2020. This accounting change in estimate was fully recognized in Q3 2020 resulting in a $122,441 reduction of cost of sales for year ended December 31, 2020 and the related US state sales tax liability as at December 31, 2020.

Notable Operating Expenses

- **Salaries, wages, employee benefits:** During the year ended December 31, 2020, the Company incurred $1,800,542 in salaries, wages, and employee benefits expenses compared to $1,588,870 in the comparable period in fiscal 2019. The increase is consistent with the net increase in full time employees during 2020.

- **Sales and marketing:** Sales and marketing expenses consist primarily of commissions and bonuses paid to sales development representatives and account executives involved in the lead generation, qualification, and sales closing process. These expenditures are positively correlated with sales of both Self-serve and Fully-managed plans. During the year ended December 31, 2020, sales and marketing expenses increased to $1,217,162 from $706,696 in the comparable period in fiscal 2019. The increase is consistent with the increase in Fully-managed sales and the hiring of additional account executives and sales development representatives.

- **Subcontractor expenses:** The Company employs several full-time contractors primarily involved in the fulfillment of marketing services and supporting the outbound sales engine. Many of these subcontractors are based in jurisdictions outside of Canada. During the year ended December 31, 2020, the Company incurred $731,787 in subcontractor expenses compared to $640,270 in the comparable period in fiscal 2019.

- **Software subscriptions:** Consists of several software subscriptions used by employees of Wishpond in the ordinary course of business. During the year ended December 31, 2020, the Company incurred $411,321 in software subscriptions, compared to $304,916 in the comparable period in fiscal 2019. The increase is primarily attributable to the implementation of new systems designed to improve internal operating efficiency and an increase in the number of licenses purchased consistent with the growth in headcount.

- **Employee stock-based compensation:** The Company uses employee stock options as a means for employee compensation, retention, and incentives. During the year ended December 31, 2020, the Company incurred $100,649 in employee stock compensation, compared to $93,544 in the comparable period in fiscal 2019. Most of the stock-based compensation granted in fiscal 2020 year-to-date is related to executive compensation in the ordinary course of business.

- **Foreign currency losses (gains):** Foreign currency losses (gains) relates primarily to the impact of the relative weakness of the Canadian dollar against the US dollar on the Company's Canadian denominated monetary assets and liabilities. The Company had a foreign exchange gain of approximately $27,507 in the year ended December 31, 2020, compared to $18,814 in the comparable period in fiscal 2019.

  During the year ended December 31, 2020, Wishpond entered into 12 monthly forward foreign exchange contracts, each in the amount of $150,000 at an average exchange rate of approximately

1.36 CAD/USD. All forward foreign exchange contracts had expired by December 31, 2020. Given the large fluctuations in the US dollar relative to the Canadian dollar during 2020, the forward contracts have helped mitigate some of the foreign exchange volatility that the Company is exposed to from having the majority of its sales denominated in US dollars with many of its payables in Canadian dollars.

Notable Non-Operating Expenses

- **Reverse takeover listing expense:** During the year ended December 31, 2020, the Company incurred $2,114,085 in reverse takeover listing expenses compared to $Nil for the comparable period in fiscal 2019. The increase is due to $1,620,605 in expense recognized as the difference between the consideration issued and the fair value of net assets acquired in the QT. The remaining $493,480 relates to additional listing expenses incurred for accounting, legal, and capital advisory costs.

- **Acquisition related expenses:** During the year ended December 31, 2020, the Company incurred acquisition related expenses of $72,594 compared to $Nil for the comparable period in fiscal 2019. The increase is due to accounting, legal, and advisory costs in connection with the acquisitions of Invigo Media Group and PersistIQ which closed subsequent to December 31, 2020. Refer also to the "Events Subsequent to December 31, 2020" section in this MD&A.

- **Interest expense:** The interest expense relates primarily to the interest on the lease obligation related to the Vancouver office lease, interest and charges on the loan with the Business Development Bank of Canada, and interest on the line of credit and credit cards used in day-to-day operations. The interest expense was $26,781 in the year ended December 31, 2020, compared to $43,097 in the comparable period in fiscal 2019.

Research and Development Expenditures

Research and development expenses consist primarily of remuneration paid to engineer personnel and independent contractors. Development costs that meet the criteria under IAS 38 *Intangible Assets* are capitalized as deferred development costs. Deferred development costs have finite lives and are carried at cost less accumulated amortization and accumulated impairment losses. The deferred development costs are amortized on a straight-line basis over the estimated useful life of 10 years.

During the year ended December 31, 2020, the Company incurred a total of $697,256 in total development expenses and capitalized $270,323 to deferred development costs after offsetting investment tax credits recoverable, compared to $517,408 and $188,042 respectively in the comparable period in fiscal 2019.

During the year ended December 31, 2020, the Company amortized a total of $136,944 in development expenses, compared to $123,048 in the comparable period in fiscal 2019.

The Company is entitled to certain Canadian federal and provincial tax incentives for qualified scientific research and experimental development. Investment tax credits related to development activities that meet the criteria under IAS 38 are offset against deferred development costs when there is reasonable assurance that such credits will be realized. Investment tax credits related to research activities are recorded as a reduction in the related expenditures when there is reasonable assurance that such credits will be realized.

As of December 31, 2020, the Company had accrued $234,840 in investment tax credit recoverable, compared to $329,362 as of December 31, 2019. During the year ended December 31, 2020, the Company increased its investment tax credit recoverable as a result of reassessing its estimated 2020 SRED expenditure rate as at December 31, 2020.

As of December 8, 2020, the Company lost its Canadian-Controlled Private Corporation status in connection with the QT and no longer receives a refundable research tax credit. Subsequent to December

8, 2020, research tax credits will be applied against taxable income as a non-refundable tax credit and will expire in 2030 and forward unless previously utilized.

Summary of Quarterly Results:	**Q4 FY20** **$**	**Q3 FY20** **$**	**Q2 FY20** **$**	**Q1 FY20** **$**
Revenue	2,254,771	2,095,933	1,868,341	1,662,973
Cost of Sales	799,296	576,886	663,710	613,027
Gross Profit	**1,455,475**	**1,519,047**	**1,204,631**	**1,049,946**
Operating Expenses	1,459,497	1,464,262	1,132,331	1,174,654
Income (Loss) from Operations	**(4,022)**	**54,785**	**72,300**	**(124,708)**
Reverse takeover listing expense	2,114,085	-	-	-
Acquisition related expenses	72,594	-	-	-
Interest expense	5,665	6,461	6,795	7,860
Foreign currency losses (gains)	(16,049)	(33,845)	24,818	(2,431)
Other income/expenditures	(20,122)	(5,912)	10,208	43,721
Net Loss and Comprehensive Loss	**(2,160,195)**	**88,081**	**30,479**	**(173,858)**
EBITDA	**(2,047,303)**	**192,190**	**133,174**	**(70,875)**
Adjusted EBITDA	**121,151**	**175,653**	**200,058**	**(1,960)**

Revenue for the fourth quarter ended December 31, 2020 was $2,254,771 and increased 8% compared to revenue of $2,095,933 for the third quarter ended September 30, 2020. The increase in current quarterly revenue was primarily driven by an increase in the number of subscribers and revenue per subscriber period over period.

Net loss for the fourth quarter ended December 31, 2020 was $2,160,195 compared to net income of $88,081 in the third quarter ended September 30, 2020. The increase in net loss is primarily driven by reverse takeover listing expenses incurred of $2,114,085, and acquisition related costs of $72,594, in the fourth quarter ended December 31, 2020.

FINANCIAL LIQUIDITY

	Twelve-months ended December 31, 2020 **$**	**Twelve-months ended December 31, 2019** **$**
Net cash generated from operating activities	3,215,024	419,080
Net cash used in investing activities	(286,122)	(188,042)
Cash flow from (used in) financing activities	4,107,108	(109,772)
Net increase in cash	**7,036,010**	**121,266**
Cash - beginning of the year	269,536	148,270
Cash - end of the year	**7,305,546**	**269,536**

Cash and Cash Equivalents

- **Cash position:** As of December 31, 2020, the Company had a net cash position of $7,305,546 and a credit facility with a major Canadian bank for $100,000. The interest rate on the credit facility is based on RBP + 3.01% per annum with interest payable monthly. Moreover, in April 2020, the Company obtained an additional credit facility from the same Canadian bank for $500,000 with an interest of RBP + 2.53% per annum. However, the aggregate of both credit facilities cannot exceed a total of $500,000 at any time. As of December 31, 2020, both credit facilities remained undrawn and were fully available to the Company. As of December 31, 2020, the Company had an investment tax credit receivable of $234,840, which the Company expects to collect in Q2 2021.

- **Cash from operating activities:** During the year ended December 31, 2020, the Company had net positive cash from operations of $3,215,024, compared to $419,080 in the comparable period in fiscal 2019. The increase is primarily due to the year-over-year revenue growth of 30% at healthy gross margins of 66%, continuous rationalization of redundant expenses, and economies of scale achieved. Total operating expenses represented 66% of revenues for the year ended December 31, 2020 compared to 71% in the comparable period in fiscal 2019.

- **Cash from investing activities:** During the year ended December 31, 2020, the Company had net negative cash from investing activities of $286,122, compared to negative $188,042 in the comparable period in fiscal 2019.

- **Cash from financing activities:** During the year ended December 31, 2020, the Company had net positive cash from financing activities of $4,107,108 compared to net negative cash of $109,772 in the comparable period in fiscal 2019. Cash from financing activities consists primarily of proceeds from the brokered private placement financing in the amount of $4,109,494 and proceeds from exercised stock options in the amount of $154,284 offset by cash paid for transaction costs incurred in connection with the QT in the amount of $401,433, lease liability payments in the amount of $228,030, repayment of the employee and bank loans in the amount of $106,550, repurchases of stock options, and interest and bank charges paid.

Working Capital:

With the inclusion of the due to shareholder balance as a current liability, as of December 31, 2020, Wishpond had positive Net Working Capital of $2,828,019 compared to negative $5,833,491 as of December 31, 2019.

Excluding the due to shareholder balance, as of December 31, 2020, Wishpond had positive Net Working Capital of $2,828,019 compared to negative $1,335,522 as of December 31, 2019.

	December 31, 2020 $	**December 31 2019 $**
Cash	7,305,546	269,536
Accounts and other receivables	30,621	164,289
Prepaid expenses	287,783	2,088
Investment tax credit recoverable	234,840	329,362
Accounts payables and accrued liabilities	(845,779)	(490,042)
Contract Liability	(3,840,699)	(1,278,106)
Loan payable to employee	-	(50,000)
Current portion of lease liability	(344,293)	(282,649)
Net Working Capital (before due to shareholder balance)	**2,828,019**	**(1,335,522)**
Due to shareholder	-	(4,497,969)
Net Working Capital (after due to shareholder balance)	**2,828,019**	**(5,833,491)**

CAPITAL RESOURCES

Capital expenditures:

The Company is asset-light and does not have ongoing material capital expenditure requirements to operate the business. As of December 31, 2020, the Company did not have any material commitments for capital expenditures.

RELATED PARTY TRANSACTIONS

During the year ended December 31, 2020, 3,061,105 options were granted to key employees, directors, and members of management (240,056 for the year ended December 31, 2019) as a means for compensation, retention, and incentives.

FINANCIAL INSTRUMENTS

Refer to the Financial Statements for the Company’s recognition and measurement accounting policies of financial instruments. As of December 31, 2020, and December 31, 2019, the Company’s financial instruments are valued as follows:

	December 31, 2020 $	December 31, 2019 $
Cash	7,305,546	269,536
Accounts and other receivables	30,621	164,289
Accounts payable and accrued liabilities	845,779	490,042
Loans and borrowings	-	106,550
Due to shareholders	-	4,497,969

OFF-BALANCE SHEET ARRANGEMENTS

The Company is not aware of any material off-balance sheet arrangements.

ADDITIONAL GAAP AND NON-GAAP MEASURES

This MD&A makes reference to certain additional GAAP and non-GAAP financial measures. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of the Company's results of operations from management’s perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. The Company uses Loss from Operations as an additional GAAP measure and uses non-GAAP financial measures, including Adjusted Earnings Before Interest, Tax and Amortization (“**Adjusted EBITDA**”), to provide investors with supplemental measures of its operating performance and to highlight trends in their core business that may not otherwise be apparent when relying solely on IFRS financial measures.

Loss from Operations

The Company uses Loss from Operations as an additional GAAP financial measure within the financial statements and MD&A, but it is not a defined term under IFRS to assess performance. Management believes that this measure provides useful supplemental information to investors and is computed consistently for each reporting period.

Loss from Operations is calculated as total revenues less total operating expenses derived from the Statement of Comprehensive Loss. This measure provides an indication of financial performance excluding the undernoted items such as foreign exchange, other income and expenditures (which typically include non-recurring transaction) and interest expense. As a result, management believes that this metric provides a clearer picture of the ongoing financial performance of the Company from operating activities. This non-GAAP metric is used by management to analyze operating performance, but it is not intended to represent an alternative to net earnings or other measures of financial performance in accordance with IFRS.

Basic income (loss) per share is computed by dividing net income (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted income per share is computed similar to basic income (loss) per share, except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. However, diluted loss per share does not include the increase to weighted average shares, as the effect of including additional shares would be anti-dilutive.

The following table summarizes the Company's Loss from Operations and Net Loss and Comprehensive Loss for the twelve months ended December 31, 2020 and 2019:

	Twelve-months ended December 31, 2020 $	**Twelve-month ended December 31, 2019 $**
Revenue	7,882,018	6,050,303
Cost of sales	2,652,919	2,149,006
Gross profit	**5,229,099**	**3,901,297**
Operating expenses	5,230,744	4,278,967
Loss from Operations	**(1,645)**	**(377,670)**
Net Loss and Comprehensive Loss	**(2,215,493)**	**(428,298)**
Loss per share – Basic and diluted	**(0.08)**	**(0.02)**

Adjusted EBITDA

Management uses Adjusted EBITDA as a supplemental measure of operating results and believes that this measure provides useful supplementary information to investors as it identifies and normalizes one-time, non-recurring income and expenses that may cloud the ongoing operating results of the Company. Moreover, management believes that this metric enables securities analysts, investors and other interested parties to perform a more objective valuation of the Company.

The Company achieved positive Adjusted EBITDA in the year ended December 31, 2020 in the amount of $494,902, compared to $103,477 in the comparable period in fiscal 2019. This is due to the revenue growth achieved during the year, healthy gross margins of 66%, and realized economies of scale.

	Twelve-months ended December 31, 2020 $	**Twelve-months ended December 31, 2019 $**
Loss before income taxes	**(2,215,493)**	(428,298)
Depreciation and amortization	395,898	387,603
Interest expense	26,781	43,097
EBITDA	**(1,792,814)**	**2,402**
Reverse takeover listing expense	2,114,085	-
Acquisition related expenses	72,594	-
Foreign currency gains	(27,507)	(18,814)
Other expenditures	27,895	26,345
Stock based compensation expense	100,649	93,544
Adjusted EBITDA	**494,902**	**103,477**

DISCLOSURE OF OUTSTANDING SHARE DATA

As at December 31, 2020, the Company had the following securities issued and outstanding:

Description of Security	Number of Securities Outstanding	Additional Comments
Common Shares	46,169,150	
Stock Options	3,521,460	Exercisable at prices ranging from $0.05 to $2.18
Warrants	474,190	Exercisable at prices ranging from $0.46 to $0.75
Total Fully Diluted	**50,164,800**	

- In December 2020, 36,155 Broker Warrants were exercised resulting in 36,155 post-Consolidation Wishpond Shares being issued.

- During the year ended December 2020, 3,041,105 post-consolidation options were granted to employees of the Company with an exercise price of $0.01 - $2.18.

- During the year ended December 2020, 4,960,602 post-consolidation options were exercised at an exercise price of $0.01 - $0.47 for total cash proceeds of $155,541.

As at March 31, 2021, the Company had the following securities issued and outstanding:

Description of Security	Number of Securities Outstanding	Additional Comments
Common Shares	51,755,772	
Stock Options	3,372,223	Exercisable at prices ranging from $0.05 to $2.18
Warrants	183,833	Exercisable at prices ranging from $0.46 to $0.75
Total Fully Diluted	**55,311,828**	

- During the first quarter of 2021, 290,357 warrants were exercised resulting in cash proceeds of $217,019 and the issuance of 290,357 Wishpond Shares.

BUSINESS OUTLOOK

Wishpond is in the process of carrying out an ambitious growth strategy over the following years. This will be accomplished through a combination of investments to augment internal capacity, as well as an M&A strategy to grow through strategic tuck-in acquisitions in the digital marketing and sales technology spaces.

Wishpond has three key areas of focus for the next years:

1. **Organic growth:** Wishpond's primary goal is to generate organic revenue growth driven primarily by rapid expansion of the Company's inbound and outbound sales engines, which historically have created recurring and predictable revenue growth. From January to December 2020, the Company had more than doubled its salesforce and will continue to accelerate its hiring efforts over the subsequent months. By the end of fiscal 2021, the Company expects to double the size of the current sales team once again. In order to keep up with the growing sales pipeline, the management team will be expanding internal capacity and reinvesting in the scalability of its operations.

2. **Inorganic growth:** Wishpond also plans to grow inorganically through tuck-in acquisitions of marketing technology companies and digital marketing agencies. Management has the goal of executing on several M&A transactions over the next 24 months to help expand Wishpond's internal operating capacity, add new services and features to its technology platform, and open new verticals and channels. Following completion of the QT, the Company has already completed two

key strategic acquisitions highly complementary to its existing offering. Overall, the Company's ideal acquisition criteria typically includes: Adjusted EBITDA positive, a recurring revenue model, a defendable competitive advantage in their vertical, and a strong team to continue operating the business.

3. **Product development:** Wishpond has an ambitious product roadmap laid out for the following years which will require significant development efforts and resources. The Company will be investing heavily in growing the development team to expedite the release of crucial features under its product strategy. By end of FY2021, management expects to double the size of the product development team to further accelerate the product roadmap and integrate the technology acquisitions into its existing platform.

Management expects continued organic growth driven by reinvestments in salesforce and internal capacity expansion, in addition to further strategic acquisitions contemplated for the balance of the year. The Company expects healthy year-over-year revenue growth in Q1-2021 with monthly recurring revenue exceeding $1.0 million in March 2021.

The Company expects higher operating expenses in the second half of 2021 than in the first half of the year, primarily as a result of increased headcount in Wishpond's sales and R&D teams in Q1-2020, which are necessary investments for the long-term growth of the Company. Management expects revenue and profitability to accelerate in the second half of 2021 due to growth from new product launches, a larger sales team and significant revenue contribution from new acquisitions.

RISKS & UNCERTAINTIES:

The following risk factors are not a definitive list of all risk factors associated with the Company. Additional risks and uncertainties, including those currently unknown or considered immaterial by Wishpond, may also adversely affect the Wishpond Shares and/or the business.

Forward-Looking Information May Prove Inaccurate

Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risk and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

Readers should carefully consider the risk factors set out in this MD&A in conjunction with the Company's audited financial statements and consider all other information contained herein before making an investment decision. If any of the risks described above materialize, the business, financial condition or results of operations of the Parties could be materially and adversely affected. Additional risks and uncertainties not currently known to or currently seen as immaterial by management of Wishpond may also materially and adversely affect the business, financial condition or results of operations of the Parties.

Wishpond may issue equity securities to finance its activities. If Wishpond were to issue additional equity securities, the ownership interest of existing shareholders may be diluted and some or all of Wishpond's financial measures on a per share basis could be reduced. Moreover, as Wishpond's intention to issue additional equity securities becomes publicly known, Wishpond's share price may be materially adversely affected.

Wishpond's officers and directors control a large percentage of Wishpond's issued and outstanding Wishpond Shares and such officers and directors may have the ability to control matters affecting Wishpond and its business.

From time to time the directors and executive officers of Wishpond may sell Wishpond Shares on the open market. These sales will be publicly disclosed in filings made with securities regulators. In the future, the directors and executive officers of Wishpond may sell a significant number of Wishpond Shares for a variety of reasons unrelated to the performance of Wishpond's business. The shareholders of Wishpond may perceive these sales as a reflection on management's view of the business and result in some shareholders selling their Wishpond Shares. These sales could cause the market price of the Wishpond Shares to drop.

Reliance on New Product and Service Offerings

The success of the business of Wishpond is dependent upon its ability to develop new software products or features and enhance existing marketing services. To keep pace with technological developments, satisfy increasingly sophisticated customer requirements and achieve market acceptance, Wishpond must enhance and improve existing software products and must also continue to introduce new features and services. If Wishpond is unable to successfully develop new products or enhance and improve existing products or it fails to position and/or price its products to meet market demand, the business and operating results of Wishpond will be adversely affected. Any new products or features could require long development and testing periods and may not be introduced in a timely manner or may not achieve the broad market acceptance necessary to generate significant revenue. There are factors which may prevent Wishpond from the realization of growth targets.

Being a Public Company May Increase Price Volatility

Wishpond's status as a reporting issuer may increase price volatility due to various factors, including the ability to buy or sell Wishpond Shares, different market conditions in different capital markets and different trading volumes. In addition, low trading volume may increase the price volatility of the Wishpond Shares. The increased price volatility could adversely affect the results of operations or financial condition.

The Requirements of Being a Public Resulting Issuer May Strain Wishpond's Resources

As a reporting issuer, Wishpond, and its business activities, are subject to the reporting requirements of applicable securities legislation of the jurisdiction in which it is a reporting issuer, the listing requirements of the Exchange and other applicable securities rules and regulations. Compliance with those rules and regulations increases Wishpond's legal and financial costs as compared to Wishpond's previous activities making some activities more difficult, time consuming or costly and increase demand on its systems and resources.

Third Party Licenses

Wishpond may license software from third parties. The loss of rights to use this software could increase operating expenses and could adversely affect Wishpond's ability to compete. Wishpond may license certain technologies used in its products from third parties, generally on a non-exclusive basis. The termination of any of these licenses, or the failure of the licensors to adequately maintain or update their products, could delay Wishpond's ability to ship its products, as Wishpond may need to seek to implement alternative technology offered by other sources. This may require unplanned investments by Wishpond. In addition, alternative technology may not be available on commercially reasonable terms. In the future, it may be necessary or desirable to obtain other third-party technology licenses relating to one or more products or relating to current or future technologies to enhance Wishpond's product offerings. There is a risk that Wishpond will not be able to obtain licensing rights to the needed technology on commercially reasonable terms, if at all.

Risks Inherent in Strategic Alliances

Wishpond may enter into strategic alliances with third parties that it believes will complement or augment its existing business. Wishpond's ability to complete strategic alliances is dependent upon, and may be limited by, the availability of suitable candidates and capital. In addition, strategic alliances could present unforeseen integration obstacles or costs, may not enhance Wishpond's business, and may involve risks that could adversely affect Wishpond, including significant amounts of management time that may be diverted from operations to pursue and complete such transactions or maintain such strategic alliances. Future strategic alliances could result in the incurrence of additional debt, costs and contingent liabilities, and there can be no assurance that future strategic alliances will achieve the expected benefits to Wishpond's business or that Wishpond will be able to consummate future strategic alliances on satisfactory terms, or at all.

Competition

The industry in which Wishpond operates is highly competitive and competition could intensify, or any technological advantages held by Wishpond may be reduced or lost, as a result of technological advances by its competitors.

If Wishpond does not compete effectively with these competitors, its revenue may not grow. Wishpond has experienced competition from a number of marketing software companies and digital marketing agencies, and expects continued competition in the future. Wishpond's competitors may announce new products, services or enhancements that better meet the needs of customers or changing industry standards. Increased competition may cause price reductions, reduced gross margins and reduced growth in sales, any of which could have a material adverse effect on the business, results of operations and financial condition of Wishpond. Wishpond faces substantial competition from established competitors, many of which may have greater financial, engineering and marketing resources than it does. Many of these companies also have a larger customer base, have longer operating histories or have greater name recognition than Wishpond does. There can be no assurance that Wishpond will successfully differentiate its current and proposed products from the products of its competitors, or that the marketplace will consider the products of Wishpond, to be superior to competing products. Because of the industry in which Wishpond operates, Wishpond expects to face additional competition from new entrants. To maintain Wishpond's competitive position, it is believed that Wishpond will be required to continue to invest in engineering, research and development, marketing and customer service and support. There can be no assurance that Wishpond will have sufficient resources to continue to make these investments, that it will be able to make the technological advances necessary to maintain its competitive position, or that its products will receive market acceptance. Wishpond's competitors may be able to respond more quickly to changes in customer requirements and devote greater resources to the enhancement, promotion and sale of their products. Wishpond may not be able to compete successfully in the future, and increased competition may result in price reductions, reduced profit margins, loss of market share and an inability to generate cash flows that are sufficient to maintain or expand its development of new products.

Dependence on Key Management Personnel

The success of Wishpond is dependent upon the ability, expertise, judgment, discretion and good faith of its senior management as well as certain consultants (the "**Key Personnel**"). Wishpond's future success depends on its continuing ability to attract, develop, motivate, and retain the Key Personnel. Qualified individuals for Key Personnel positions are in high demand, and Wishpond may incur significant costs to attract and retain them. The loss of the services of Key Personnel, or an inability to attract other suitably qualified persons when needed, could have a material adverse effect on Wishpond's ability to execute on its business plan and strategy, and Wishpond may be unable to find adequate replacements on a timely basis, or at all. While employment and consulting agreements are customarily used as a primary method of retaining the services of Key Personnel, these agreements cannot assure the continued services of such individuals and consultants.

Conflicts of Interest

Wishpond may be subject to various potential conflicts of interest because of the fact that some of its officers, directors and consultants may be engaged in a range of business activities. Wishpond's executive officers, directors and consultants may devote time to their outside business interests, so long as such activities do not materially or adversely interfere with their duties to Wishpond. In some cases, Wishpond's executive officers, directors and consultants may have fiduciary obligations associated with these business interests that interfere with their ability to devote time to Wishpond's business and affairs and that could adversely affect Wishpond's operations. These business interests could require significant time and attention of Wishpond's executive officers, directors and consultants.

In addition, Wishpond may also become involved in other transactions which conflict with the interests of its directors, officers and consultants who may from time to time deal with persons, firms, institutions or corporations with which Wishpond may be dealing, or which may be seeking investments similar to those desired by it. The interests of these persons could conflict with those of Wishpond. In addition, from time to time, these persons may be competing with Wishpond for available investment opportunities. Conflicts of interest, if any, will be subject to the procedures and remedies provided under applicable laws. In particular, in the event that such a conflict of interest arises at a meeting of Wishpond's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with applicable laws, the directors of Wishpond are required to act honestly, in good faith and in the best interests of Wishpond.

Fraudulent or Illegal Activity by Employees, Contractors and Consultants

Wishpond may be exposed to the risk that its employees, independent contractors and consultants may engage in fraudulent or other illegal activity. Misconduct by these parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to Wishpond that violates: (a) government regulations; (b) federal and provincial healthcare fraud and abuse laws and regulations; or (c) laws that require the true, complete and accurate reporting of financial information or data. It may not always be possible for Wishpond to identify and deter such misconduct by its employees and other third parties, and the precautions taken by Wishpond to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting Wishpond from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. If any such actions are instituted against Wishpond, and it is not successful in defending itself or asserting its rights, such actions could have a significant impact on Wishpond's business, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of Resulting Issuer's operations, any of which could have a material adverse effect on Wishpond's business, financial condition, results of operations or prospects.

Technological Errors

Errors in Wishpond products could result in significant costs to Wishpond and could impair its ability to sell its products. Wishpond products are complex and, accordingly, they may contain errors, or "bugs", that could be detected at any point in their product life cycle. The reputation of Wishpond could be materially and adversely affected by errors in the products. These errors could result insignificant costs to Wishpond, delay planned release dates and impair the ability to sell products in the future. The costs incurred in correcting any product errors may be substantial and could adversely affect operating margins. While Wishpond plans to continually test its products for errors and work with customers through maintenance support services to identify and correct bugs, errors in the products may be found in the future.

Internal Controls

Effective internal controls are necessary for Wishpond to provide reliable financial reports and to help prevent fraud. Although Wishpond will undertake a number of procedures and will implement a number of safeguards in order to help ensure the reliability of its financial reports, including those imposed on Wishpond under applicable law, in each case Wishpond cannot be certain that such measures will ensure that Wishpond maintains adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm Wishpond's results of operations or cause it to fail to meet its reporting obligations. If Wishpond or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce the market's confidence in Wishpond's consolidated financial statements and could result in a material adverse effect on Wishpond.

General Economic Risks

Wishpond's operations could be affected by the economic context should interest rates, inflation or the unemployment level reach levels that influence consumer trends and spending and, consequently, impact Wishpond's sales and profitability.

Any investors should further consider, among other factors, Wishpond's prospects for success in light of the risks and uncertainties encountered by companies that, like Wishpond, are in their early stages. For example, unanticipated expenses and problems or technical difficulties may occur, which may result in material delays in the operation of Wishpond's business. Wishpond may not successfully address these risks and uncertainties or successfully implement its operating strategies. If Wishpond fails to do so, it could materially harm Wishpond's business to the point of having to cease operations and could impair the value of Wishpond's securities.

Uncertainty of Use of Proceeds

Although Wishpond has set out its intended use of proceeds, these intended uses are estimates only and subject to change. While management does not contemplate any material variation, management does retain broad discretion in the application of such proceeds. The failure by Wishpond to apply these funds effectively could have a material adverse effect on Wishpond's business, including Wishpond's ability to achieve its stated business objectives.

Failure to successfully integrate acquired businesses, its products and other assets into Wishpond, or if integrated, failure to further Wishpond's business strategy, may result in Wishpond's inability to realize any benefit from such acquisition.

Wishpond may grow by acquiring businesses. The consummation and integration of any acquired business, product or other assets into Wishpond may be complex and time consuming and, if such businesses and assets are not successfully integrated, Wishpond may not achieve the anticipated benefits, cost-savings or growth opportunities. Furthermore, these acquisitions and other arrangements, even if successfully integrated, may fail to further Wishpond's business strategy as anticipated, expose Wishpond to increased competition or other challenges with respect to Wishpond's products or geographic markets, and expose Wishpond to additional liabilities associated with an acquired business, technology or other asset or arrangement.

Liquidity and Additional Financing

As of the date of this MD&A, the Company has sufficient funds to meet its current obligations.

There is no guarantee that Wishpond will be able to achieve its business objectives. The continued development of Wishpond may require additional financing. The failure to raise such capital could result in the delay or indefinite postponement of current business objectives or Wishpond going out of business. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to Wishpond. If additional funds are raised through issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution. In addition, from time to time, Wishpond may enter into transactions to acquire assets or the shares of other corporations. These transactions may be financed wholly or partially with debt, which may temporarily increase Wishpond's debt levels above industry standards. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for Wishpond to obtain additional capital and to pursue business opportunities, including potential acquisitions. Wishpond may require additional financing to fund its operations to the point where it is generating positive cash flows. Negative cash flow may restrict Wishpond's ability to pursue its business objectives.

Difficulty to Forecast

Wishpond must rely largely on its own market research to forecast sales as detailed forecasts are not generally obtainable from other sources. A failure in the demand for its products to materialize as a result of competition, technological change or other factors could have a material adverse effect on the business, results of operations and financial condition of the Company.

The Market Price of Wishpond Shares may be subject to Wide Price Fluctuations

The market price of Wishpond Shares may be subject to wide fluctuations in response to many factors, including variations in the operating results of Wishpond and its subsidiaries, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, changes in the business prospects for Wishpond and its subsidiaries, general economic conditions, legislative changes, and other events and factors outside of Wishpond's control. In addition, stock markets have from time to time experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could adversely affect the market price for the Wishpond Shares.

Management of Growth

Wishpond may be subject to growth-related risks. The ability of Wishpond to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The inability of Wishpond to deal with this growth may have a material adverse effect on Wishpond's business, financial condition, results of operations and growth prospects.

There is no assurance that Wishpond will turn a profit or generate immediate revenues

There is no assurance as to whether Wishpond will be profitable or continue to be profitable or pay dividends. Wishpond has incurred and anticipates that it will continue to incur substantial expenses relating to the development of its business. The payment and amount of any future dividends will depend upon, among other things, Wishpond's results of operations, cash flow, financial condition, and operating and capital requirements. There is no assurance that future dividends will be paid, and, if dividends are paid, there is no assurance with respect to the amount of any such dividends.

Equity Price Risk

Wishpond may be exposed to equity price risk as a result of holding long-term investments in other companies. Just as investing in Wishpond is inherent with risks such as those set out in this MD&A, by investing in these other companies, Wishpond may be exposed to the risks associated with owning equity securities and those risks inherent in the investee companies.

Anti-Money Laundering Laws and Regulation Risks

Wishpond is subject to a variety of laws and regulations domestically and internationally that concern money laundering, financial recordkeeping and proceeds of crime, including the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada), as amended and the rules and regulations thereunder, the *Criminal Code* (Canada) and any related or similar rules, regulations or guidelines, issued, administered or enforced by governmental authorities internationally.

In the event that any of Wishpond's proceeds, any dividends or distributions therefrom, or any profits or revenues accruing from operations were found to be in violation of money laundering legislation or otherwise, such transactions may be viewed as proceeds of crime under one or more of the statutes noted above or any other applicable legislation. This could restrict or otherwise jeopardize the ability of Wishpond to declare or pay dividends, effect other distributions or subsequently repatriate such funds back to Canada.

Regulation

Wishpond is subject to general business regulations and laws as well as regulations and laws specifically governing collection of information and the internet. Existing and future laws and regulations may impede Wishpond's growth strategies. These regulations and laws may cover taxation, privacy, data protection, pricing, content, copyrights, distribution, consumer protection, web services, websites, and the characteristics and quality of products and services. Unfavourable changes in regulations and laws could decrease demand for Wishpond's digital media properties and inventory and increase its cost of doing business or otherwise have a material adverse effect on Wishpond's reputation, popularity, results of operations, and financial condition. The requirements of being a public company may strain Wishpond's resources, divert management's attention and affect its ability to attract and retain executive management and qualified board members.

As a reporting issuer, Wishpond will be subject to the reporting requirements of applicable securities legislation of the jurisdiction in which it is a reporting issuer, the listing requirements of the Exchange and other applicable securities rules and regulations. Compliance with these rules and regulations will increase Wishpond's legal and financial compliance costs, make some activities more difficult, time consuming or costly and increase demand on its systems and resources. Applicable securities laws require Wishpond to, among other things, file certain annual and quarterly reports with respect to its business and results of operations. In addition, applicable securities laws require Wishpond to, among other things, maintain effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and, if required, improve its disclosure controls and procedures and internal control over financial reporting to meet this standard, significant resources and management oversight may be required. Specifically, due to the increasing complexity of its transactions, it is anticipated that Wishpond will improve its disclosure controls and procedures and internal control over financial reporting primarily through the continued development and implementation of formal policies, improved processes and documentation procedures, as well as the continued sourcing of additional finance resources. As a result, management's attention may be diverted from other business concerns, which could harm Wishpond's business and results of operations. To comply with these requirements, Wishpond may need to hire more employees in the future or engage outside consultants, which will increase its costs and expenses.

In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. Wishpond intends to continue to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and a diversion of management's time and attention from revenue generating activities to compliance activities. If its efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against Wishpond and Wishpond's business may be adversely affected.

As a public company subject to these rules and regulations, Wishpond may find it more expensive for it to obtain director and officer liability insurance, and it may be required to accept reduced coverage or incur substantially higher costs to obtain coverage. These factors could also make it more difficult for Wishpond to attract and retain qualified members of its Board of Directors, particularly to serve on its audit committee and compensation committee, and qualified executive officers. As a result of disclosure of information in filings required of a public company, Wishpond's business and financial condition will become more visible, which may result in threatened or actual litigation, including by competitors and other third parties. If such claims are successful, Wishpond’s business and results of operations could be harmed, and even if the claims do not result in litigation or are resolved in its favor, these claims, and the time and resources necessary to resolve them, could divert the resources of Wishpond’s management and harm its business and results of operations.

Unknown Defects and Impairments

A defect in any business arrangement may arise to defeat or impair the claim of Wishpond to such transaction, which may have a material adverse effect on Wishpond. It is possible that material changes could occur that may adversely affect management’s estimate of the recoverable amount for any agreement Wishpond enters into. Impairment estimates, based on applicable key assumptions and sensitivity analysis, will be based on management’s best knowledge of the amounts, events or actions at such time, and the actual future outcomes may differ from any estimates that are provided by Wishpond. Any impairment charges on Wishpond’s carrying value of business arrangements could have a material adverse effect on Wishpond.

Challenging Global Financial Conditions

Global financial conditions, particularly in light of the recent COVID-19 pandemic, have been characterized by increased volatility, with numerous financial institutions having either gone into bankruptcy or having to be rescued by government authorities. Global financial conditions could suddenly and rapidly destabilize in response to future events, as government authorities may have limited resources to respond to future crises. Global capital markets have continued to display increased volatility in response to global events. Future crises may be precipitated by any number of causes, including natural disasters, geopolitical instability, changes to energy prices or sovereign defaults. Any sudden or rapid destabilization of global economic conditions could negatively impact the ability of Wishpond, or the ability of the operators of the companies in which Wishpond will hold interests, to obtain equity or debt financing or make other suitable arrangements to finance their projects. If increased levels of volatility continue or in the event of a rapid destabilization of global economic conditions, it may result in a material adverse effect on Wishpond and the price of Wishpond’s securities could be adversely affected.

Credit and Liquidity Risk

Wishpond will be exposed to counterparty risks and liquidity risks including, but not limited to:

- through suppliers of Wishpond which may experience financial, operational or other difficulties, including insolvency, which could limit or suspend those suppliers’ ability to perform their obligations under agreements with Wishpond;

- through financial institutions that may hold Wishpond’s cash and cash equivalents;

- through companies that will have payables to Wishpond;

- through Wishpond’s insurance providers; and

- through Wishpond’s lenders, if any.

Wishpond will also be exposed to liquidity risks in meeting its operating expenditure requirements in instances where cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the ability of Wishpond to obtain loans and other credit facilities in the future and, if obtained, on terms favourable to Wishpond. If these risks materialize, Wishpond’s operations could be adversely impacted and the price of the Wishpond Shares could be adversely affected.

Litigation

Wishpond may from time to time be involved in various claims, legal proceedings and disputes arising in the ordinary course of business. If Wishpond is unable to resolve these disputes favourably, it may have a material adverse effect on Wishpond. Even if Wishpond is involved in litigation and wins, litigation can redirect significant Company resources. Litigation may also create a negative perception of Wishpond. Securities litigation could result in substantial costs and damages and divert Wishpond's management's attention and resources. Any decision resulting from any such litigation that is adverse to Wishpond could have a negative impact on Wishpond's financial position.

Cybersecurity Risks

The information systems of Wishpond and any third-party service providers and vendors, are vulnerable to an increasing threat of continually evolving cybersecurity risks. These risks may take the form of malware, computer viruses, cyber threats, extortion, employee error, malfeasance, system errors or other types of risks, and may occur from inside or outside of the respective organizations. Cybersecurity risk is increasingly difficult to identify and quantify and cannot be fully mitigated because of the rapid evolving nature of the threats, targets and consequences. Additionally, unauthorized parties may attempt to gain access to these systems through fraud or other means of deceiving third-party service providers, employees or vendors. The operations of Wishpond depend, in part, on how well networks, equipment, IT systems and software are protected against damage from a number of threats. These operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. However, if Wishpond is unable or delayed in maintaining, upgrading or replacing IT systems and software, the risk of a cybersecurity incident could materially increase. Any of these and other events could result in information system failures, delays and/or increases in capital expenses. The failure of information systems or a component of information systems could, depending on the nature of any such failure, adversely impact the reputation and results of operations of Wishpond.

Security

Wishpond cannot guarantee absolute protection against unauthorized attempts to access its IT systems, including malicious third party applications or denial of service attacks that may interfere with or exploit security flaws in its digital media properties. Viruses, worms, and other malicious software programs could jeopardize the security of information stored in a user's computer or in Wishpond's computer systems or attempt to change the internet experience of users by interfering with Wishpond's ability to connect with a user. If any compromise to Wishpond's security measures were to occur and Wishpond's efforts to combat this breach were unsuccessful, Wishpond's reputation may be harmed leading to an adverse effect on Wishpond's financial condition and future prospects.

Dividend Policy

The declaration, timing, amount and payment of dividends are at the discretion of Wishpond's Board of Directors and will depend upon Wishpond's future earnings, cash flows, acquisition capital requirements and financial condition, and other relevant factors. There can be no assurance that Wishpond will declare a dividend on a quarterly, annual or other basis.

Customer Acquisitions

Wishpond's success depends, in part, on Wishpond's ability to attract and retain customers. There are many factors which could impact Wishpond's ability to attract and retain customers, including but not limited to the successful implementation of marketing plans and the continued growth in the aggregate number of customers. The failure to acquire and retain customers would have a material adverse effect on Wishpond's business, operating results and financial condition.

Constraints on Marketing Products

The development of Wishpond's businesses and operating results may be hindered by applicable restrictions on marketing technology products or digital marketing services. The Canadian federal regulatory regime requires plain packaging of products, and has further prohibitions with respect to marketing, including prohibitions on testimonials, lifestyle branding and packaging that is appealing to youth.

The regulatory environment in Canada and abroad limits Wishpond's ability to compete for market share in a manner similar to other industries. If Wishpond is unable to effectively market its products and compete for market share, or if the costs of compliance with government legislation and regulation cannot be absorbed through increased selling prices for its products, Wishpond's sales and operating results could be adversely affected, which could have a materially adverse effect on Wishpond's business, financial condition and operating results.

Intellectual Property

The ownership and protection of trademarks, patents, trade secrets and intellectual property rights brought in from the acquisition of Wishpond are significant aspects of Wishpond's future success. Unauthorized parties may attempt to replicate or otherwise obtain and use Wishpond's products and technology. Policing the unauthorized use of Wishpond's current or future trademarks, patents, trade secrets or intellectual property rights could be difficult, expensive, time-consuming and unpredictable, as may be enforcing these rights against unauthorized use by others. In addition, in any infringement proceeding, some or all of the trademarks, patents or other intellectual property rights or other proprietary know-how, or arrangements or agreements seeking to protect the same may be found invalid, unenforceable, anti-competitive or not infringed. An adverse result in any litigation or defense proceedings could put one or more of the trademarks, patents or other intellectual property rights at risk of being invalidated or interpreted narrowly and could put existing intellectual property applications at risk of not being issued. Any or all of these events could materially and adversely affect the business, financial condition and results of operations of Wishpond.

In addition, other parties may claim that Wishpond's products infringe on their proprietary and perhaps patent protected rights. Such claims, whether or not meritorious, may result in the expenditure of significant financial and managerial resources, legal fees, result in injunctions, temporary restraining orders and/or require the payment of damages. As well, Wishpond may need to obtain licences from third parties who allege that Wishpond has infringed on their lawful rights. However, such licences may not be available on terms acceptable to Wishpond or at all. In addition, Wishpond may not be able to obtain or utilize on terms that are favorable to it, or at all, licences or other rights with respect to intellectual property that it does not own.

Foreign Exchange

Wishpond is exposed to foreign currency risk by reason of Wishpond operating in the United States. As the Wishpond Shares are traded in Canadian dollars, the movement of the US dollar against the Canadian dollar could have a material adverse effect on Wishpond's prospects, business, financial condition, and results of operation.