MANAGEMENT'S DISCUSSION AND ANALYSIS OF ZOOMD TECHNOLOGIES LTD.

Basis of Presentation

The following management's discussion and analysis ("**MD&A**") relates to the operating results, financial position, cash flows, and outlook guidance of Zoomd Technologies Ltd. (the "**Company**"), its wholly-owned subsidiary Zoomd Ltd. ("**Zoomd**") and Zoomd's wholly owned subsidiary Moblin Asia Pte. Ltd. ("**Moblin**") prepared for the three months and year ended December 31, 2021 and should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2021 and related notes attached thereto (the "**Financial Statements**"). For the avoidance of doubt, any reference to the Company in this MD&A fully incorporates and includes Zoomd and Moblin.

The Financial Statements consolidate the accounts of the Company and its subsidiaries. All inter-company balances and transactions have been eliminated on consolidation.

The Financial Statements, and extracts of those financial statements included in this MD&A are presented in accordance with International Financial Reporting Standards ("**IFRS**").

The effective date of this MD&A is April 29, 2022.

Unless otherwise stated herein, all amounts expressed in this MD&A are presented in thousands of United States dollars, denominated by "$" or "USD" or "US$", the functional currency of the Company.

FORWARD-LOOKING STATEMENTS

This MD&A includes certain forward-looking statements that are based on current expectations, which involve risks and uncertainties associated with the business and the environment in which the Company operates. Any statements contained herein that are not statements of historical facts may be deemed to be forward-looking statements, including those identified by the expressions "**anticipate**", "**believe**", "**plan**", "**estimate**", "**expect**", "**intend**", and similar expressions to the extent they relate to the Company or its management. The forward-looking statements are not facts but reflect management's current expectations regarding future results or events. In developing the forward-looking statements in this MD&A, the Company has applied several material assumptions, including the availability of financing on reasonable terms, the Company's ability and general business and economic conditions. These forward-looking statements are subject to several risks and uncertainties that could cause actual results or events to differ materially from current expectations, including, but not limited to, risks and uncertainties related to:

1. the performance of the Company's business and operations;
2. the intention to grow the business and operations of the Company;
3. the ability of the Company to implement and execute its product development roadmap;
4. the ability of the Company to grow through mergers and acquisitions;
5. future liquidity, financial capacity and availability of future financing opportunities;
6. the ongoing effect of the coronavirus pandemic ("**COVID-19**"), including its macroeconomic effects, on our business, operations, and financial results;
7. general economic conditions, including risks associated with foreign currency fluctuations;

8. demand for the Company’s products;

9. introduction of competing products;

10. the Company’s ability to respond to rapid technological changes with new products and services;

11. the return on investment from research & development investments made by the Company;

12. the Company’s ability to protect and enforce its intellectual property, and risks of potential claims of intellectual property infringement by third parties;

13. failure to manage the Company’s product and service lifecycles;

14. failure to manage open-source software adoption and compliance risks;

15. the Company’s concentrated customer base, as four of the Company’s customers comprise 57% of its revenues for the period ended December 31, 2021;

16. the success of the Company’s launched products;

17. the ability of the Company’s products to operate effectively within the systems of the Company’s customers; and

18. general industry and regulation trends which may change from time to time and could adversely impact the Company’s business, including Apple’s announcements about the implementation of an “opt-in” regime in iOS 14 for certain data collection, impacting the direct identifiers within the ecosystem as part of a continuing industry trend of protecting the privacy of users.

This MD&A contains future-oriented financial information and financial outlook information (collectively, "**FOFI**") about the Company’s revenue outlook for the year ended December 31, 2022. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on FOFI. Zoomd’s actual results, performance, or achievement could differ materially from those expressed in, or implied by, these FOFI, or if any of them do so, what benefits the Company will derive therefrom. The Company has included the FOFI in order to provide readers with a more complete perspective on the Company’s future operations and such information may not be appropriate for other purposes.

With respect to the forward-looking statements contained herein, although the Company believes that the expectations and assumptions are reasonable, undue reliance should not be placed on the forward-looking statements, because no assurance can be given that they will prove to be correct. There can be no assurance that the anticipated results or developments will actually be realized, and actual results can be expected to vary from the results projected and such variances may be material and adverse. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. All forward-looking statements contained in this MD&A are expressly qualified in their entirety by this cautionary statement. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless specifically expressed as such, and should only be viewed as historical data.

Non-IFRS Financial Measures

This MD&A makes reference to certain non-IFRS measures. These measures are not recognised 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. The Company's definitions of non-IFRS measures used in this MD&A may not be the same as the definitions for such measures used by other companies in their reporting. Non-IFRS measures have limitations as analytical tools and should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS. The Company uses non-IFRS financial measures to provide investors with supplemental measures of its operating performance and to eliminate items that have less bearing on operating performance or operating conditions and thus highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS financial measures. Specifically, the Company believes that Adjusted EBITDA, when viewed with the Company's results under IFRS and the accompanying reconciliations, provides useful information about the Company's business without regard to potential distortions. By eliminating potential differences in results of operations between periods caused by factors such as depreciation and amortization methods and share-based compensation, the Company believes that Adjusted EBITDA can provide a useful additional basis for comparing the current performance of the underlying operations being evaluated. The Company believes that securities analysts, investors, and other interested parties frequently use non-IFRS financial measures in the evaluation of issuers. The Company's management also uses non-IFRS financial measures in order to facilitate operating performance comparisons from period to period.

"**EBITDA**" represents the Company's operating profit before interest, taxes, depreciation, and amortization.

"**Adjusted EBITDA**" represents the EBITDA adjusted for the exclusion of share-based compensation.

See "Reconciliation of Non-IFRS Measures" for a reconciliation of each non-IFRS measure to its most directly comparable IFRS measure.

COMPANY OVERVIEW

Zoomd, the Company's wholly-owned operating subsidiary located in Israel, was incorporated on November 29, 2012 and began operating in 2013 in the area of search and analytics. In 2017, Zoomd acquired the mobile marketing company "Moblin". In September 2019, through a qualifying transaction (the "**Qualifying Transaction**") undertaken pursuant to the rules of the TSX Venture Exchange ("**TSXV**"), Zoomd became a wholly-owned subsidiary of the Company, a reporting issuer in Alberta and British Columbia, whose common shares are traded on the TSXV. The Company has developed proprietary patented technology and targets the needs of many segments of the digital marketing industry. It is focused on efficient mobile user acquisition for companies and advertisers. The Company leverages unique tools for publishers, based on onsite search providing increased monetization and engagement for publishers as well as more efficient management of digital advertising budgets for media agencies and advertisers, targeted mostly on mobile app user acquisition. The Company offers its services globally through its subsidiary in Singapore and its agents and other business partners all over the globe. As such, the Company operates in collaboration with hundreds of publishers and global advertisers and has experienced significant adoption rates of its on-site search and app distribution technology by major companies worldwide.

The Company endeavors to permanently generate clear added value to its customers in a transparent manner. The Company's current and future product development roadmap includes self-serve products integrated within various digital media sources, thereby enabling its customers to reach the best "value for money" ad targeting for each media source in any screen, or platform integrated to Zoomd. The Company continuously monitors new distribution media channels to add additional options to its customers. In Q3 2021, Zoomd signed a marketing partner agreement with Snapchat, certifying Zoomd as a formal platform integrated marketing partner of Snapchat. During Q1 2021, Zoomd obtained the "TikTok Marketing Partner Certification", allowing its customers an integrated solution to manage user-acquisition campaigns on the TikTok Platform, in full viewability and side by side of other media channels. The product is also offered to customers that prefer a SaaS model, including self managing all their premium and social media sources. For using the product, customers pay a monthly or annual fee.

The Company is focusing its efforts, which are based on long term trends within the online advertising industry, in line with its basic strategy of:

- Providing customers a robust marketing platform, focusing on user acquisition first.

- Contributing effectively, and in a measurable manner, to improve its customer's user acquisition campaign results and ongoing ROI.

- Enabling customers to manage their user acquisition campaign budgets on all digital channels, screens and platforms including social networks, ad networks, exchanges, content discovery platforms, influencers, connected TV(CTV), audio networks, and AR/VR marketplaces, all using data driven KPI-based technology.

- Managing all key information in campaigns under a single screen, including the cost of media, cost of acquisition, Lifetime Value (LTV), ROAS (Return On Ad Spend) and other key metrics, while working towards integrating full automation, AI and ML-based prediction algorithms into the platform.

- Being the only platform an advertiser will need for acquiring new users via digital media.

- Offering extra tools and features as part of its product offering in an attempt to simplify campaign management tasks. Such extra tools and features include creative studio editing capabilities for quick ad adjustments, extra layers of user data from app stores and unique optimization abilities for saving time and resources on campaign management tasks.

Overview of the industry and the Company's Competitive Advantage:

Many companies operate in the Company's industry. Digital marketing and advertising is a large market, with the mobile segment expected to continue to grow at an accelerated rate and be subject to intense competition and innovation. The Company offers tools for improving the efficiency of digital marketing budgets focused on mobile app user acquisition at this stage.

The Company offers two main products, with different target audiences:

- For publishers: an internal site search engine, supplying the Company's clients that are publishers with the ability to implement search in their website.

- For advertisers: a complete unified mobile user acquisition platform for managing all their user acquisition activity, under one unified command and control screen.

The Company competes both with companies that provide internal site search solutions, and companies that provide mobile and general digital media buying services and solutions, focused on mobile apps and user acquisition. Management is not aware of any other company that offers an internal site search solution while also providing mobile and general digital media buying solutions.

Management believes that the Company's platform already has competitive advantages over similar products and services offered by competitors. The Company's belief is based on the following:

- For publishers, the Company offers a fully customised search tool for free, using a revenue-share model with the publisher (as a partner). Most of the Company's competitors in this segment typically offer a software-based license for a fee. The free solutions that are offered by other companies are not customisable or self-controlled, and management believes these free solutions offered by other companies provide less analytical data that is insightful to publishers, when compared to the Company's product. Targeting publisher's inventory and providing monetisation tools within the ecosystem is one of the Company's strategic goals.

- For advertisers, the Company is focused on mobile app user acquisition, integrating all digital media sources on its platform. This saves campaign managers time and permits advertisers to scale their campaigns by adding new media sources, without having to handle new dashboards or platforms to manage such media sources. Management believes that the Company's advantage over its competitors in this segment, is expected to stem from the disruptive approach which uses the integration of planned traffic sources, an AI-based automated user acquisition approach, and the combination of audience-specific data insights that are unique to the Company's platform.

The Company's competitive advantage can be summarized as follows:

- The only company in the industry offering a "search"-based solution to publishers for better user targeting for advertisers. The Company's search data is unique and helps target audiences in ways that others may not be able to.

- The only platform that combines a single product that can be used by both advertisers and publishers.

- The platform does not require a SDK (Software Development Kit) to be implemented.

- The Company's advertising solution is built as a software layer on the ecosystem. It is integrated into hundreds of media channels, consolidating all data and streaming it into a centralized platform, giving the advertiser the ability to view, analyse and optimise their campaign on hundreds of channels in a single view, thereby saving the advertiser resources and maximising their advertising budget. There is no dependency on any specific supplier or traffic channel.

- It is the view of management that, as a layer on the ecosystem, the Company is well positioned within the industry. While the Company's platform has a very low to no impact with respect of privacy, tracking and measurement changes, the industry is going through various privacy-centered initiatives, including iOS 14 and 15 identifier, Google cookie sunset and Google 3rd party cookie tracking restrictions to come. The Company's platform is integrated into the media sources, including any privacy changes implemented by the media sources, but is not dependent on any one media source. The privacy changes are already affecting advertisers' budget allocations, hurting mainly the social media channel. Advertisers' costs in these channels have been rising rapidly and advertisers are finding it harder to succeed and scale as in the past. Zoomd's platform offers the advertisers a wide range and various types of media channels, from social to programmatic, OEM's, SDK networks and more. Their KPI's are achieved in all channels together, as a mix, with low dependency on the social media channel or any other channel.

- The Company's platform is integrated into each media source and measurement solution based on the relevant API the source offers. As media sources and measurement companies build their solutions to adapt to the ongoing changes, the Company's platform API is adjustable and integrates with each offered API. As such, the platform will work with all offered integration-based solutions.

- The Company is not reliant on the Google/Facebook "duopoly". The Company's platform offers numerous acquisition channels including social, global publishers, SDK ad networks, DSP's, mobile operators, device manufactures and more. Their KPI's can be achieved, in scale, with less dependency on the "duopoly". Regardless the independency, In Q1 2022, the Company acquired Albert Technologies Ltd. ("**Albert**"), a U.S.-based artificial intelligence marketing platform for advertisers which primarily uses the Google and Facebook platforms. Since acquiring Albert, the Company analyzes data on the Google and Facebook platforms autonomously, considering and handling all regulation, privacy, and related issues.

- For the self-serve SaaS version of the platform, the Company will use a monthly subscription-based license that is not necessarily tied to the monthly media budget of the advertiser. Albert's activities are also based on the same business model

- The Company's platform works in some cases transparently with the advertisers' ad accounts.

- As the industry is rapidly changing, the Company invests resources on market analysis, customer management and research and development to maintain its competitive advantage and refine its product to further differentiate itself from the competitors in order to build a healthy base for future growth.

Fiscal 2022 Revenue Outlook

- Management is introducing its revenue outlook for the year ending December 31, 2022 and anticipates revenue growth between 40% - 50% from $53 million up to approximately $80 million. This outlook reflects the following assumptions:

  - **Organic Growth** – Management estimates approximately $25 million of the revenue growth for the year ending December 31, 2022, to be caused primarily from the existing business model where the key drivers are:

    - New customers acquired primarily during the year 2021 through to the beginning of the year 2022, which are expected to increase their marketing spend as they become more familiar with the platform, the services and the results.

    - New customers that management expects to acquire as a result of the newly launched self-serve and SaaS products, as well as from the Albert portfolio.

    - Geographical expansion in Asia, Africa and Latam.

    - Post COVID-19: The year 2022 is the first year that is starting with a post-COVID-19 economic feeling. On a global level, consumers have adapted to the digital changes in financial services, e-commerce, gaming and more that were brought about as a result of COVID-19 but are keen to get back to normal, with no social limitations or restrictions. This will positively affect categories such as travel, sports, events, lifestyle and many more that, after two years, are starting the year with positive growth indicators. The FIFA World Cup will be held in 2022 and we expect that the sport category's advertising budgets will be boosted as a result.

    - Category expansion to the upcoming rise of Web3, promoting dedicated metaverse digital assets for brands.

  - **Self-serve SaaS –** Management estimates that up to $2 million of the revenue growth for the year ending December 31, 2022 will be caused primarily from self-serve and SaaS revenues. The acquisition of Albert on March 27, 2022, is in line with the Company's business, strategy, and vision for self-serve and SaaS products. The Company's acquisition already factors into the expectation of a $3M ARR (annual recurring revenue) by the end of 2022, and management believes it will bear a positive impact on revenue growth during 2022.

Selected Financial Information for the three months ended December 31, 2021 and 2020 and year ended December 31, 2021, 2020 and 2019.

The following financial information has been derived from the Company's Financial Statements. For further information see "Overview of Operating Results" below.

	Year ended December 31,			Three months ended December 31,	
	2021	**2020**	**2019**	**2021**	**2020**
Revenues	52,585	25,423	27,052	18,691	6,609
Cost of Sales and Services	36,294	17,503	19,105	13,049	4,443
Research and Development, Net	4,221	5,916	4,916	970	1,152
Selling, General and Administrative Expenses	9,066	7,252	6,439	2,612	1,820
Operating Income (Loss)	3,004	(5,248)	(3,408)	2,060	(806)
Finance Income	(6)	(8)	(6)	(6)	-
Finance expenses	512	465	1,375	38	138
Listing Expenses	-	-	1,519	-	-
Net Income (Loss)	2,498	(5,705)	(6,296)	2,028	(944)
Income (Loss) Per Share	0.02	(0.06)	(0.07)	0.02	(0.01)
Income (Loss) Per Share (diluted)	0.02	(0.06)	(0.07)	0.02	(0.01)
Adjusted EBITDA*	5,767	(2,601)	(626)	2,739	(144)
Distributions or cash dividends Per Share	-	-	-	-	-
Total Assets	26,575	19,438	26,023	26,575	19,438
Convertible loans and warrants	-	-	-	-	-
Total Non-Current Liabilities	567	1,168	1,706	567	1,168

*Non-IFRS measure

For the year end December 31, 2021, the Company reported no discontinued operations, and did not declare any cash dividends.

Financial Operations Overview

Financial Period ended December 31, 2021.

Revenue

The Company generates revenue primarily from two different models:

(a) Revenue from advertisers that is derived from the Company-installed search engine on a publisher's site. When an end-customer is using the Company's engine, the Company generates revenue from the advertisers, with whom it has a contracted budget that is based on the number of views / impressions and shares the revenues with the publishers. The portion of the revenue collected using this model, which is passed through to the publisher, is typically 60% to 70%. Revenues are recognised on a gross basis, and the amount paid to publishers is shown as cost of sales.

(b) Revenues from advertisers are derived from actual key performance indicators (KPIs) achieved. The KPIs used most frequently are cost per install (CPI), cost per event (CPE), cost per click (CPC) or cost per mille (CPM). Alternatively, the Company may use an agreement whereby the revenue is based on a fixed percentage, by using traffic sources as publishers, ad networks and demand side platforms (DSPs). At the end of each month, the revenues from these advertisers are calculated and recognised, taking into consideration any contractual cap with such advertisers.

Cost of Sales

Cost of sales is comprised primarily from costs paid to the publisher or traffic source, for delivering the acquired results (KPI, CPI, CPE, CPC, CPM) given by the advertisers, or with whom the Company shares the revenues it collects from the advertisers.

Operating Cost and Expenses

The Company's operating costs and expenses are classified into two categories: research and development expenses and all others (e.g., selling, general and administrative expenses). For each category, the largest component is typically personnel costs, which consists of salaries, employee benefits and share-based compensation. Operating costs and expenses also include allocated overhead costs for depreciation of equipment. Operating costs and expenses are generally recognised as incurred. Operating costs also include amortization of intangible assets acquired in the business combination that have affected the operating margins.

Research and Development Expenses

Research and development activities are central to the Company's business. The Company expects to continue its research and development investments in order to reach its planned milestones of the development product roadmap for 2022. The Company's research and development expenses consist primarily of personnel costs, payment to subcontractors, cloud infrastructure, depreciation and amortization expenses and share-based compensation. The Company capitalizes certain internal and external software development costs, consisting primarily of direct labor associated with creating the internally developed software.

Research and development expenses are expected to decrease during 2022 due to the capitalization of software development costs.

Selling, General and Administrative Expenses

The Company's selling, general and administrative expenses consist primarily of personnel expenses for the Company's sales, marketing, executive, finance, legal, human resources and administrative personnel. It also includes professional service fees and other general corporate expenses, such as communication, depreciation and amortization, public relations, travel expenses and other office expenses.

The Company expects that its selling, general and administrative expenses will increase in the future. The Company targets global expansion with partners and establishing local operations in a number of specific regions. It also anticipates additional general and administrative costs associated with being a public company. These public company-related expense increases are anticipated to include the costs of additional subsidiaries in various countries, legal fees, accounting and audit fees, directors' and officers' liability insurance premiums and costs related to investor relations.

Finance Income and Finance Expenses

Foreign currency transactions are translated into United States dollars using the exchange rates prevailing as at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Net Income (Loss) to "**finance expenses**" and "**finance income**".

Overview of Operating Results

Twelve and three months ended December 31, 2021 compared to twelve and three months ended December 31, 2020

Revenues

For the year ended December 31, 2021, revenues amounted to $52,585, as compared to $25,423 for the year ended December 31, 2020, an increase of approximately 107% year over year. The increase in revenues is primarily due to increases in gross spend by existing customers as well as expanded distribution with new customers in emerging industry categories including fintech, e-commerce and gaming, and the deployment and expansion of new services and features and through acquisition. In Q3 2021, the Company's management increased its year-over-year revenue growth forecast for 2021 to 80% (in early 2021, the forecasted revenue growth increase was 30%-40% year-over-year).

For the three months ended December 31, 2021, revenues increased by approximately 183% from the same period in the previous year, which was a record growth for the Company. The increase in revenues is primarily the result of onboarding new clients, primarily in the beginning of the year. These clients are increasing their marketing budgets as they become more familiar with the platform, growing existing accounts and the Company's expansion into growth geographies such as Latin America and Asia India and Eastern Europe. In addition, deployment of new services and features, combined with the integration of our latest acquisition, scaled rapidly and generated a significant revenue stream during the period. It's the fifth consecutive quarter of growth in revenues.

Cost of Sales

For the year ended December 31, 2021, cost of sales amounted to $36,294, or 69% of revenues, as compared to $17,503, with the same percentage of revenues for the year ended December 31, 2020.

For the three months ended December 31, 2021, cost of sales amounted to $13,049, as compared to $4,443 for the three months ended December 31, 2020, an increase of $8,606. The increase is primarily attributed to the increase in revenues.

Operating Costs and Expenses

The following table summarizes operating expenses for the three and twelve months ended December 31, 2021 and 2020:

	Twelve months ended December 31,		Three months ended December 31,	
	2021	**2020**	**2021**	**2020**
R&D Salaries and Related Expenses	793	1,815	56	275
R&D Subcontractors and services	1,616	2,454	460	458
Depreciation, Amortization	1,802	1,605	472	412
Other R&D expenses	10	42	(18)	7
Total R&D expenses (1)	**4,221**	**5,916**	**970**	**1,152**
S&M Salaries and Related Expenses (2)	4,314	2,615	1,439	672
G&A Salaries and Related Expenses	1,650	1,517	383	357
Advertising Expenses (3)	683	540	239	180
Share-Based Payments	110	133	15	28
Depreciation and Amortization	841	867	221	215
Other G&A and S&M Expenses	1,468	1,580	315	368
Total SG&A expenses	**9,066**	**7,252**	**2,612**	**1,820**
Total operating expenses	**13,287**	**13,168**	**3,582**	**2,972**

Notes:

1. The decrease in R&D expenses is primarily attributed to the capitalization of R&D costs. As of Q4, 2020 the Company reached its technical feasibility from the development of its self-serve SaaS platform and such related expenses were capitalized and recorded as an intangible asset. During the twelve month and the three month periods ended on December 31, 2021, the Company capitalized related expenses in the amount of $1,868 and $556 respectively.

2. The S&M salary expenses mainly increase due to sales department bonuses as part of the significant growth in revenues, and new employees joining the Company after the acquisition of Performance Revenues Ltd.

3. As part of the Company's expansion plans, the Company increased its marketing and advertising expenses in 2021. Media costs were increased to enhance branding, brand awareness, and for ongoing growing lead generation. In addition, the Company has been promoting to potential clients its newly released self-serve products, including its new distribution channels. For the self-serve new product offerings the Company developed the necessary marketing materials, including: production and development services such as site upgrading, product videos, marketing documents, PR and media support.

Operating Income/ Loss

Operating income for the twelve months ended December 31, 2021 was $3,004 as compared with operating loss of $(5,248) for the twelve months ended December 31, 2020, an improvement of $8,252. The improvement is primarily attributed to the Company's increase in revenues.

Operating income for the three months ended December 31, 2021, was $2,060 as compared with operating loss of $(806) for the three months ended December 31, 2020, an improvement of $2,866. The improvement in operating income carried the Company to a record operating profit. The improvement is primarily attributed to the Company's increase in revenues.

Adjusted EBITDA for the twelve months ended December 31, 2021 was $5,767 as compared with Adjusted EBITDA of $(2,601) for the twelve months ended December 31, 2020, an increase of $8,368. The improvement in the Adjusted EBITDA is primarily attributed to the sequential increase in revenue over five consecutive quarters, which carried the Company to a new record high Adjusted EBITDA.

Adjusted EBITDA for the three months ended December 31, 2021 was $2,739 as compared with Adjusted EBITDA loss of $(144) for the three months ended December 31, 2020 an increase of $2,883. The improvement in the Adjusted EBITDA is primarily attributed to the increase in revenue, which carried the Company to the highest Adjusted EBITDA during any single quarter since it became listed on the TSXV.

Reconciliation of Non-IFRS Measures

The following table presents a reconciliation of Adjusted EBITDA to Operating gain/loss for the year and three months ended December 31, 2021 and 2020:

	Year ended		**Three months ended**	
	December 31, 2021	**December 31, 2020**	**December 31, 2021**	**December 31, 2020**
Operating gain/(loss)	3,004	(5,248)	2,060	(806)
Adjustments:				
Depreciation and amortization	2,643	2,472	682	627
Cost of share-based payments	120	175	(3)	35
Total adjustments	2,763	2,647	679	662
Adjusted (negative) EBITDA	**5,767**	**(2,601)**	**2,739**	**(144)**

Finance Expenses, Net

Finance expenses for the twelve months ended December 31, 2021, were $506 as compared with finance expenses of $457 for twelve months ended December 31, 2020. The change is not material.

Finance expenses for the three months ended December 31, 2021, were $32 as compared with finance expenses of $137 for the three months ended December 31, 2020. The change is not material.

Net Income/ Loss

Net income for the twelve months ended December 30, 2021 was $2,498 as compared with a net loss of $(5,705) for the twelve months ended December 31, 2020, an improvement of $8,203. The improvement is mainly attributed to the increase in revenues as discussed above.

Net income for the three months ended December 31, 2021 was $2,028 as compared with a net loss of ($943) for the three months ended December 31, 2020, an improvement of $2,971. The change is mainly attributed to the significant increase in revenue as discussed above.

Summary of Quarterly Results

The following table below sets out certain financial data for the Company:

	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Revenue	18,691	15,961	11,157	6,776	6,609	6,625	5,676	6,513
Operating Gain/ (Loss)	2,060	961	621	(638)	(806)	(1,488)	(1,440)	(1,514)
Adjustments:								
Depreciation and amortization	682	665	653	643	627	613	613	619
Cost of share-based payments	(3)	21	44	58	35	25	67	48
Adjusted EBITDA	2,739	1,647	1,318	63	(144)	(850)	(760)	(847)
Basic Income (loss) per share	0.02	0.01	0.01	(0.01)	(0.01)	(0.02)	(0.01)	(0.02)
Diluted Income (loss) per share	0.02	0.01	0.01	(0.01)	(0.01)	(0.02)	(0.01)	(0.02)

Liquidity & Capital Resources

As of December 31, 2021, the Company held cash in the amount of $5,238, trade receivables in the amount of $8,478, other current assets in the amount of $417, trades payables in the amount of $3,202, current liabilities in the amount of $5,687, accrued earnout liability of $125 and a short term bank loan of $2,003.

The significant and consistent increase in revenues led the Company, for the first time since it became public, to generate sufficient cash from its operating activities. To date, our primary sources of liquidity are cash from operations and debt. The Credit Line Agreement allows the Company to withdraw, at its own discretion up to $2,000, and is classified as short-term debt on our consolidated statements of financial position as of December 31, 2021. We believe our recurring revenues in addition to our existing cash and cash equivalents and cash flow from operations will be sufficient to meet our working capital requirements and future growth plans.

On February 9, 2021 the Company acquired all of Performance Revenues Ltd.'s tangible and intangible assets, in consideration for USD$350 in cash and an earn-out that is based on the annual results of Performance Revenues Ltd. for 2021, capped at maximum of USD$1,023, payable in Zoomd shares, using a price per share that is the higher of (i) the fair market value on the day of payment and (ii) CAD$0.96 ($0.75 USD based on CAD:USD exchange rate) per share. In May, 2022, the Company is expected to issue 231,719 shares, of USD$0.75 value each, to Optimistico Ltd. formerly Performance Revenues Ltd.

Further, see "Liquidity and fair value risk" below for additional information on the general liquidity risks facing the Company.

Consolidated Cash Flow Activity

The following summarizes the Company's statement of cash flow for the twelve and three months ended December 31, 2021 and 2020.

Operating Activities

Net cash generated from operating activities for the twelve months period ended December 31, 2021 was $3,825 as compared to Net cash used in from operating activities of $2,303 for the twelve months period ended December 31, 2020 a positive change of $6,128. The increase in operating activities is primarily attributed to the Company's increase in revenues during the period.

Net cash generated from operating activities for the three months period ended December 31, 2021 was $2,755 as compared to Net cash used in from operating activities of $86 for the three months period ended December 31, 2020 a positive change of $2,841. The increase in cash used in operating activities is primarily attributed to the increase in revenues over the comparative periods.

Investing Activities

Net cash used in investing activities for the twelve months period ended December 31, 2021 was $2,477 as compared to net cash used in investing activities of $415 for the twelve months period ended December 31, 2020. The change in net cash used in investing activities was primarily due to investment in capitalized software during the period, consideration paid related to the acquisition of Performance Revenue Ltd’s operations on February 9, 2021 (as described below) and a bank deposit security for short term bank credit.

Net cash used in investing activities for the three months period ended December 31, 2021 was $555 as compared to net cash used from investing activities of $380 for the three months period ended December 31, 2020. The change in net cash used in investing activities was primarily due to investment in capitalized software during the period.

Financing Activities

Net cash generated from financing activities for twelve months period ended December 31, 2021 was $1,319 as compared to net cash used in financing activities of $601 for the twelve months period ended December 31, 2020. The increase was primarily related to proceeds from short term bank credit line.

Net cash used in financing activities for three months period ended December 31, 2021 was $179 as compared to net cash used in of $106 for the three months period ended December 31, 2020. The change is not material.

Outstanding Share Data

The Company has authorized share capital of an unlimited number of common voting shares. The Company's outstanding securities are comprised of:

	December 31, 2021
Common shares	95,595,617
Options	8,803,386

As of the date of the MD&A, 95,630,692 common shares were issued and outstanding. In addition, as of the date of the MD&A, 8,709,392 stock options were outstanding with exercise prices ranging from CA$0 to CA$1 per share.

On December 30, 2021, the Company granted 1,385,000 stock options to certain officers and employees of the Company pursuant to the Company's incentive stock option plan. The options granted will vest over 36 months. Each option granted has an exercise price of CA$0.388 per share and an expiry date of December 30, 2026.

On February 9, 2021 the Company acquired all of Performance Revenues Ltd.'s tangible and intangible assets, in consideration for US$350 in cash and an earn-out that is based on the annual results of Performance Revenues for 2021, worth a maximum of US$1,023, payable in Zoomd's shares, using a price per share that is the higher of (i) the fair market value on the day of payment and (ii) US$0.75 (CA$0.96) based on CAD:USD rate per share.

Management reassessed the fair value of the contingent consideration liability as of December 31, 2021 using the updated expectations and probability of the payment and recorded an increase in the fair value of the accrued earnout liability by $125 with changes in the fair value included in finance expenses.

The acquisition opens direct access for the Company to additional top-tier global advertisers and a strong entry into the Japanese market. The acquisition is expected to enable the Company to offer its existing and new clients new distribution channels, high profile influencer-based marketing and novel video creation services for better advertising campaigns and conversion rates

Off-Balance Sheet Arrangements

The Company has not had any off-balance sheet arrangements for the years ended December 31, 2021 and 2020.

Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party's making of financial and operational decisions, or if both parties are controlled by the same third party. The Company engaged in the following related party transactions with Amit Bohensky, the Chairman of the Company, or companies controlled by him.

As of 2013, the Company received business management and development services from Amit Bohensky Consulting and Investments Ltd., ("**Bohensky Consulting**"), an Israeli company controlled by Amit Bohensky. Such services are provided personally by Amit Bohensky. The Company may terminate the consulting agreement between the parties upon written notice of not less than 90 days. Since the fourth quarter of 2019, the Company also receives director services from Amit Bohensky. For the year ended December 31, 2021, the Company paid Bohensky Consulting and Investments Ltd. a total amount of $267.

As of 2014, the Company received software development services from Develop Soft Ltd., ("**Develop Soft**") a Bulgarian software company controlled by Amit Bohensky. The Company may terminate the service agreement between the parties upon written notice of not less than 60 days. For the year ended December 31, 2021, Develop Soft provided the software development services through its employees, who are assigned to the Company's research and development team. For the year ended December 31, 2021, the Company paid Develop Soft a total amount of $440.

Outstanding balances with related parties as of December 31, 2021, (including amounts payable to such parties), consist of $59.

Financial Instruments and Risk Factors

The Company operates in a competitive industry and its results of operations, business prospects and financial condition are subject to a number of risks and uncertainties and are affected by a number of factors outside the control of the management of the Company. The risks and uncertainties include those disclosed in the Company's filing statement dated June 30, 2019 and filed on SEDAR as well as the following risks and uncertainties.

Foreign currency risk

The Company's functional currency is the United States dollar. The Company's exposure to the fluctuations occurring in the rates of exchange between the United States dollar, Canadian dollar and the NIS result primarily from salaries and related expenses that are stated in NIS. During the period, no change took place in the exposure to currency risk or in the manner in which the Company manages and measures the risk.

To date, the Company is using options to hedge its foreign currency exposure with respect to the NIS appreciating relative to the US$.

Management of credit risk

Before receiving a new customer, the Company conducts research on the financial strength of the customer and requests that the customer provides credit references from other suppliers with whom the customer maintains business relations. In addition, the Company purchased a credit insurance policy for some of its customers. Moreover, the Company holds cash and cash equivalents in various financial institutions. Pursuant to the Company's policies, evaluations of the relative financial stability of the different financial institutions are performed on an ongoing basis.

Liquidity and fair value risk

Careful management of liquidity risk requires a sufficient cash balance to support operating activities. Management constantly analyzes cash balances, which are comprised of cash and cash equivalents and assets at fair value through profit and loss. This analysis is based on forecasted cash flows, in accordance with the policies and restrictions set by the Company. The Company keeps a sufficient level of cash and cash equivalents, by taking into account the cash required for its operating activities, in order to reduce the liquidity risk that the Company is exposed to.

Critical Accounting Estimates

As of the date of the MD&A, Significant Accounting Judgements and Key Sources of Estimation are summarized in note 3 to the Company's annual audited financial statements for the period ended December 31, 2021.

Statement of Compliance with IFRS

The Company's financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("**IASB**").

Public Health Crisis

On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 as a global pandemic, which continues to spread around the world. COVID-19 and actions taken to mitigate the spread of it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical area in which the Company operates.

Management is closely evaluating the impact of COVID-19 on the Company's business. The Company took several steps during 2020 and 2021 to mitigate the impact of the pandemic on its operations, including decreasing all employees' salaries and reducing some of its service providers' expenses. As of May 2021, all reductions are terminated for all employees and service providers due to the significant improvement in the Company's results and positive EBITDA.

The Company increased penetration into verticals that have benefitted from the COVID-19 pandemic, such as e-commerce and FinTech, has helped offset some of the spending weakness by the Company's sports-related customers that have recently started to normalize their advertising budgets. Management believes that the COVID-19 impacts on the Company have passed, and business are back to normal within all verticals.

Subsequent Events

On March 27, 2022, the Company acquired all of Albert Technologies Ltd and Albert Technologies Inc.'s tangible and intangible assets, in consideration of a one-time payment at closing of USD$125 in cash and USD$375 in shares, using a price per share of USD$1, and a second payment of up to USD$125 in cash and USD$375 in shares, using a price per share that is the higher of (i) the fair market value on the day of payment and (ii) USD$1 per share, based on performance and the product's full implementation in Zoomd's Systems.

Additionally, Albert's employees who have joined Zoomd and Albert's shareholders will be entitled to retention bonus payments of up to USD$2M (USD$1.8M in cash and USD$0.2M in shares, using a price per share that is the fair market value on the day of issuance). The retention payments are only payable if the Albert employees remain employed at Zoomd, and Albert's shareholders provide certain services, during a specified period and certain performance metrics are reached.

Albert is a U.S.-based artificial intelligence marketing platform for advertisers, driving fully autonomous digital campaigns for some of the world's leading brands, including several Fortune 500 companies that the acquisition adds to Zoomd's client base. Albert's strong focus on Google and Facebook auto-scaling is a powerful addition to the Zoomd ecosystem, and Albert's self-service SaaS model aligns well with Zoomd's future initiatives, which according to management estimation, will contribute $3M ARR (annual recurring revenue) by the end of 2022. The acquisition is also expected to enhance immediately Zoomd's efforts to offer company's existing and new clients with additional solid offering that cover branding and awareness needs.

ADDITIONAL INFORMATION

Additional information relating to the Company is posted on SEDAR at www.sedar.com.