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 and financial position and cash flows of Zoomd Technologies Ltd. (the "**Company**") and 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, 2019 and should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2019 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 consolidates the accounts of the Company. 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 27, 2020.

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.

Non-IFRS Financial Measures

This MD&A includes certain measures which are not defined terms in accordance with IFRS such as "EBITDA" and "Adjusted EBITDA".

"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.

"EBITDA" and "Adjusted EBITDA" are not measures of performance under IFRS and should not be considered in isolation or as a substitute for net and comprehensive income or loss prepared in accordance with IFRS or as a measure of operating performance or profitability. These terms do not have a standardized meaning prescribed by IFRS and are not necessarily comparable to similar measures presented by other companies.

FORWARD-LOOKING STATEMENTS

This MD&A includes certain forward-looking statements that are based on current expectations, which involve risks and uncertainties associated with our business and the environment in which the business 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 a number of 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:

- the performance of the Company’s business and operations;
- the intention to grow the business and operations of the Company;
- future liquidity, financial capacity and availability of future financing opportunities;
- the public health crisis caused by the pandemic, COVID-19, which caused disruptions in global supply chains, business operations and financial markets;
- general economic conditions, including risks associated with foreign currency fluctuations;
- rapid technological changes;
- demand for the Company’s products;
- introduction of competing products;
- the Company’s ability to respond to rapid technological changes with new products and services;
- the return on investment from research & development investments made by the Company;
- the Company’s ability to protect and enforce its intellectual property, and risks of potential claims of intellectual property infringement by third parties;
- failure to manage the Company’s product and service lifecycles;
- failure to manage open-source software adoption and compliance risks;
- concentrated customer base, as seven of the Company’s customers comprise 67% of its revenues for the year ended December 31, 2019;
- the ability of the Company’s products to operate effectively within the systems of the Company’s customers; and
- general industry and regulation trends which may change from time to time and could adversely impact the Company’s business.

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.

COMPANY OVERVIEW

Zoomd, the Company’s wholly-owned operating subsidiary, was incorporated on November 29, 2012 and began operating in 2013. Zoomd has developed a proprietary patented technology for leveraging internet onsite search for increased monetization and engagement for publishers, and better management of digital advertising focusing on mobile app user acquisition for media agencies and advertisers. The Company has global operations and provides services to top tier brands such as Poker Stars, Shein, 90Min, Alibaba and Bwin.

Overview on the industry and trends:

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 experienced growth in client acceptance over the years. Many companies operate in the Company’s industry. The Company competes with companies that provide onsite search solutions, and companies that provide media buying platforms that are focused on mobile apps. Management believes that the Company’s products and services have a competitive advantage over similar products and services offered by its competitors due to the fact that to its knowledge, no other company in the ecosystem offers search intents and mobile actions as part of the platform, which the Company believes provides for better user acquisition. As the industry is rapidly changing, the Company spends considerable resources in research and development to maintain any competitive advantage and further refine its products to differentiate itself from the competitors.

The Qualifying Transaction:

On May 28, 2019, Zoomd, Dataminers Capital Corp. ("**Dataminers**") and Dotima 2019 Ltd. ("**Subco**"), a wholly-owned Israeli subsidiary of Dataminers, entered into an agreement and plan of merger (the "**Business Combination Agreement**") pursuant to which Dataminers and Zoomd agreed to effect the combination of their respective businesses and assets, which upon completion, would result in a reverse takeover of Dataminers by the shareholders of Zoomd (the "**Transaction**"). The Transaction, which was completed on August 28, 2019, constituted Dataminers' "**Qualifying Transaction**" under Policy 2.4 of the TSX Venture Exchange (the "**TSXV**"). Pursuant to the terms of the Business Combination Agreement, Dataminers acquired all of the issued and outstanding shares of Zoomd by way of an amalgamation between Zoomd and Subco, with the amalgamated entity becoming a direct, wholly-owned subsidiary of the Dataminers.

In connection with the Qualifying Transaction, Zoomd raised approximately CD$9.3 million (approximately US$7 million) pursuant to a private placement (the "**Concurrent Financing**") of 8,385,990 subscription receipts and 880,000 common shares of Zoomd FinanceCo Ltd. each of which, upon completion of the Qualifying Transaction, was exchanged for one common share of Dataminers, and the successor entity of Zoomd FinanceCo Ltd. becoming a wholly-owned subsidiary of Dataminers.

Upon the completion of the Qualifying Transaction, Dataminers issued an aggregate amount of 90,921,209 common shares to the shareholders of Zoomd and holders of shares of Zoomd FinanceCo Ltd. in exchange for all of the issued and outstanding shares of Zoomd and Zoomd FinanceCo Ltd.

On September 3, 2019, the common shares of Dataminers began trading on TSXV under the new name "**Zoomd Technologies Ltd.**" with the ticker symbol ZOMD.

Prior to the consummation of the Transaction Zoomd was required to make a share split on a 1:9.674629454 adjustment basis to its share capital (the "**Ratio**"), so that immediately prior to the closing of the Transaction (i) Zoomd issued to each of its shareholders, with respect to each ordinary share of Zoomd held, an additional 8.674629454 ordinary shares (rounded to the nearest whole number) (keeping the ratio of 1:9.674629454); and (ii) the number of ordinary shares or rights convertible into, exercisable or exchangeable into, or entitling the holder thereof to receive directly or indirectly, additional ordinary shares of Zoomd under any option or warrant to purchase ordinary shares currently outstanding or otherwise granted by Zoomd (the "**Outstanding Options**") was adjusted as per the Ratio so that each one ordinary share issuable under such Outstanding Option shall be increased by and additional amount of 8.674629454 ordinary shares (rounded to the nearest whole number).

In connection with the Qualifying Transaction, the agents of the brokered portion of the Concurrent Financing received 458,080 broker warrants (each, a "**Broker Warrant**"). Each Broker Warrant is exercisable to acquire one common share of the Company at CA$1.00 per share until August 20, 2021. In addition, certain finders received 265,000 finders' options on identical terms as the Broker Warrants.

Selected Financial Information for the three months and year ended December 31, 2019 and 2018

The following financial information has been derived from the Company's Financial Statements.

	Year ended December 31,			Three months ended December 31,	
	2019	**2018**	**2017**	**2019**	**2018**
Revenues	27,052	28,649	4,738	7,544	7,542
Cost of Sales and Services	19,105	19,125	3,502	5,325	4,911
Research and Development, Net	4,916	3,847	2,115	1,406	1,303
Selling, General and Administrative Expenses	6,439	7,209	1,728	1,944	3,389
Operating Loss	3,408	1,532	2,607	1,131	2,061
Finance Income	(6)	(157)	-------	(93)	(4)
Finance expenses	1,375	963	2,814	-------	384
Listing Expenses	1,519	-------	-------	-------	-------
Net Loss	(6,296)	(2,338)	(5,421)	(1,038)	(2,449)
Loss Per Share	0.07	0.03	NA	0.01	0.03
Loss Per Share (diluted)	0.07	0.03	NA	0.01	0.03
Distributions or cash dividends Per Share	-------	-------	-------	-------	-------
Total Assets	26,023	22,041	22,041	26,023	22,041
Convertible loans and warrants	-------	3,983	1,928	-------	3,983
Total Non-Current Liabilities	1,867	633	587	1,867	633

For the year end December 31, 2019, the Company reported no discontinued operations, and did not declare any cash dividends.

Financial Operations Overview

Revenue

The Company generates revenues mostly from two different models:

(a) Advertisers that are based on the Company-installed search engine at the 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 appearances, and split the revenues with the publishers, and 60% - 70% of the revenues collected are passed through to the publisher. Revenues are recognized gross with amounts paid to the publishers presented in cost of sales, and

(b) Advertisers are based on actual key performance indicators (KPI's) achieved, mostly cost per install (CPI) or cost per event (CPE) or cost per click (CPC), cost per mille (CPM), or a fixed percentage by using traffic sources as publishers, ad networks and demand side platforms (DSPs). At the end of each month, the advertiser's revenues are calculated and recognized, taking into consideration the contractual cap with such advertisers.

Cost of Sales

Cost of sales are comprised mainly from costs paid to the publisher or traffic source, for delivering the acquired results 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 selling, general and administrative expenses. For each category, the largest component is 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 recognized as incurred. Operating costs also include amortization of intangible assets acquired in the business combination which have a more than insignificant effect on 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 operations in order to complete the development roadmap. The Company's research and development expenses consist primarily of salaries and other related costs, including share-based compensation expenses, payment to subcontractors and cloud infrastructure.

Selling, General and Administrative Expenses

The Company's selling, general and administrative expenses consist primarily of salaries and other related costs, including share-based compensation expenses, for persons serving as our executive, finance, legal, human resources and administrative personnel, professional service fees and other general corporate expenses, such as communication and 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 setting up local operations in specific regions. It incurs additional general and administrative costs associated with being a public company. These public company-related expense increases will likely include costs of additional subsidiaries on the globe, legal fees, accounting and audit fees, directors' and officers' liability insurance premiums and costs related to investor relations.

Finance Income and Finance Expenses

The Company's finance income and finance expenses consist primarily of the change in the fair value of the convertible securities issued by the Company that were carried at fair value up until the closing of the Qualifying Transaction. The convertible securities served as the main source of liquidity for Zoomd until the Qualifying Transaction. In addition, finance expenses were also incurred as a result of changes in provisions for royalties made by the IIA – Israel Innovation Authority.

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 recognized in the statement of comprehensive loss to "**finance expenses**" and "**finance income**".

Overview of Operating Results

Revenues

For the year ended December 31, 2019, revenues amounted to $27,052, as compared to $28,649 for the year ended December 31, 2018, a decrease of $1,597. The decrease in revenues is primarily attributed to a decrease in revenues of $3,759 from one of the Company's top 10 customers, despite the customer remaining one the Company's top 10 customers by revenues during the year ended December 31, 2019. In addition, a seasonal event which took place in 2018 (World Cup), generated additional revenues of about $2,000 for the year ended December 31, 2018. These additional seasonal revenues were not generated for the year ended December 31, 2019, which more than offset the organic revenue growth achieved by the Company during the year ended December 31, 2019.

For the three months ended December 31, 2019, revenues amounted to $7,544 as compared to $7,542 for the three months ended December 31, 2018. The change in revenue during this period is immaterial.

Cost of Sales

For the year ended December 31, 2019, cost of sales amounted to $19,105, as compared to $19,125 for the year ended December 31, 2018. The change in cost of sales during this period is immaterial.

For the three months ended December 31, 2019, cost of sales amounted to $5,325, as compared to $4,911 for the three months ended September 30, 2018, an increase of $414. The increase is primarily attributed to the increase in the sale of services that have lower margins relative to the other products and services offered by the Company.

Operating Costs and Expenses

For the year ended December 31, 2019, operating expenses have increased by $310 compared to the year ended December 31, 2018. The increase is primarily attributed to:

- an increase in salaries and professional fees of $326;
- an increase in costs paid for research and development by third parties of $125;
- an increase in depreciation and amortization expense of $488;
- an increase in research and development services of $399; and
- a decrease in share based payments of $1,120.

The increase in the Company's operating expenses is part of the Company's expansion planning. Starting from early 2019, in anticipation of the Qualifying Transaction and in order to lay the foundation for the Company's future growth, the Company hired new employees in research and development and in sales and marketing, increased its investments in hosting services and relocated to larger offices.

For the three months ended December 31, 2019, operating expenses have decreased by $1,331 compared to the three months ended December 31, 2018. The decrease is primarily attributed to:

- a decrease in salaries of $668; and
- a decrease in share based payments of $1,135.

Operating Loss

The following table presents a reconciliation of Adjusted EBITDA to Operating Loss for the year and three months ended December 31, 2019 and 2018:

	Year ended		**Three months ended**	
	December 31, 2019	**December 31, 2018**	**December 31, 2019**	**December 31, 2018**
Operating loss	(3,408)	(1,532)	(1,131)	(2,061)
Adjustments:				
Depreciation and amortization	2,162	1,844	574	470
Cost of share-based payments	621	1,724	54	1,189
Total adjustments	2,783	3,568	628	1,659
Adjusted EBITDA	**(625)**	**2,036**	**(503)**	**(402)**

The Company uses Adjusted EBITDA as a primary performance measure. The reconciling items of EBITDA to operating loss are primarily the amortization of intangible assets recorded as part of the mergers of Zoomd with Datomo and Sphereup and share-based payments.

Operating loss for the year ended December 31, 2019 was $3,408 as compared with $1,532 for the year ended December 31, 2019, an increase of $1,876. The increase in the operating loss is primarily attributed to the decrease in revenues and gross profit and the increase in operating expenses as discussed above.

Operating loss for the three months ended December 31, 2019 was $1,131 as compared with $2,061 for the three months ended December 31, 2018, a decrease of $930. The decrease in the operating loss is primarily attributed to the decrease in operating expenses as discussed above.

Adjusted EBITDA for the year ended December 31, 2019 was $(625) as compared with $2,036 for the year ended December 31, 2018.The decrease in Adjusted EBITDA is primarily attributed to the decrease in share based payments and increase in operating loss as discussed above.

Adjusted EBITDA for the three months ended December 31, 2019 was $(503) as compared with $(402) for the three months ended December 31, 2018. The decrease is primarily attributed to decrease in share based payments expenses. Most of the company's share based compensation are awarded with a first year cliff.

Finance Expenses, Net

Finance expenses, calculated on a net basis, were $2,888 for the year ended December 31, 2019 as compared with $806 for the year ended December 31, 2018, an increase of $2,082. The increase in finance expenses, calculated on a net basis, is primarily attributed to (i) the change in value of convertible debt securities issued by Zoomd when they were adjusted to a fair value immediately prior to their conversion in the amount of $350; (ii) an increase in foreign currency expenses of $328; and (iii) an increase in listing expenses of $1,519.

Finance (income) expenses, calculated on a net basis, were $(93) for the three months ended December 31, 2019 as compared with $388 for the three months ended December 31, 2018, a decrease of $481. The decrease in finance expenses, calculated on a net basis, is primarily attributed to a decrease in the change in value of convertible debt securities that were converted into equity securities prior to the closing of the Qualifying Transaction.

Net loss

Net loss for the year ended December 31, 2019 was $6,296 as compared with $2,338 for the year ended December 31, 2018, an increase in loss of $3,958. The increase is primarily attributed to the fact that in the first three quarters of 2019, the Company spent significant time and resources with respect to the Qualifying Transaction and Concurrent Financing. Once the Qualifying Transaction was closed, the Company focused its operation on future growth by engaging in activities to try increase revenue.

Net loss for the three months ended December 31, 2019 was $1,038 as compared with $2,449 for the three months ended December 31, 2018, a decrease in net loss of $1,411. The decrease in loss is primarily attributed to salary bonuses that were paid during the three month ended December 31, 2018.

Use of Proceeds

Pursuant to the Concurrent Financing and Qualifying Transaction, the Company disclosed its intended use of proceeds. The Company's use of proceeds from the Concurrent Financing has not changed from the disclosure set forth in the "Available Funds and Principal Purposes" section of the Company's Listing Statement dated as of June 30, 2019 to the date of this MD&A.

Liquidity & Capital Resources

As at December 31, 2019, the Company held cash in the amount of $5,890, other current assets in the amount of $5,589, and current liabilities in the amount of $6,446. As at December 31, 2018, the Company had cash in the amount of $3,604, other current assets in the amount of $3,946, convertible debt securities issued by the Company and warrants in the amount of $3,983, and current liabilities in the amount of $5,015.

To date, the Company has funded its operations primarily by way of equity offerings and the sale of convertible debt securities to the Company's shareholders in an amount of $11,136.

In May 2019, the convertible debt securities, having a fair value of 3,672, were fully converted into 5,970,069 common shares of Zoomd, with a conversion price of $0.38 (following the share split). As at December 31, 2019, no convertible debt securities remain outstanding.

Prior to the closing of the Qualifying Transaction, share purchase warrants issued by Zoomd were exercised for 1,927,053 common shares of Zoomd, with a conversion price of $ 0.26 (following the shares split).

In connection with the Concurrent Financing, the Company raised CA$9,266. See "Company Overview – The Qualifying Transaction" for additional information on the Concurrent Financing.

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

The Company's recurring revenues in addition to the current cash and receivables are expected to be sufficient to maintain the Company's planned growth in the future.

Consolidated Cash Flow Activity

Net Cash Used in Operating Activities

Net cash used in operating activities for the year ended December 31, 2019 was $2,221 as compared to net cash generated of $2,746 for the year ended December 31, 2019. The change in net cash used in operating activities is primarily attributed to the operating loss incurred during the first nine months of 2019 as described above, the fair market adjustments recorded to the convertible debt securities and the exercise of the warrants, all as described above.

Net cash used in operating activities for the three months ended December 31, 2019 was $18 as compared to net cash generated of $791 for the three months ended December 31, 2018. The change in net cash used in operating activities is primarily attributed to the increase in trade and other payables, and other current and non-current liabilities.

Net Cash Used in Investing Activities

Net cash used in investing activities for the year ended December 31, 2019 was $185, as compared to $71 for the year ended December 31, 2018. The change in net cash used in investing activities is primarily attributed to the cash used to purchase property, plant and equipment and investment in deposits

Net cash used in investing activities for the three months period ended December 31, 2019 was $5, as compared to $58 for the three months period ended December 31, 2018. The decrease is not material.

Net Cash Generated in Financing Activities

Net cash generated from financing activities for the year ended December 31, 2019 was $4,692, as compared to $416 for the year ended December 31, 2018. The change in net cash generated in financing activities is primarily attributed to the receipt of funds from the Concurrent Financing.

Net cash used from financing activities for the three months period ended December 31, 2019 was $5, as compared to $14 for the three months period ended December 31, 2018. The increase is not material.

Summary of Quarterly Results

The following table summarizes (except for the per-share data, in thousands of dollars) the results of the Company's operations for the eight most recently completed fiscal quarters. This unaudited quarterly information has been prepared in accordance with IFRS. Due to seasonality, the results of operations for any quarter are not necessarily indicative of the results of operations for the fiscal year.

	Q4 2019	**Q3 2019**	**Q2 2019**	**Q1 2019**	**Q4 2018**	**Q3 2018**	**Q2 2018**	**Q1 2018**
Revenue	7,544	5,904	6,705	6,899	7,542	8,717	7,104	5,286
Net profit (Loss)	(1,038)	(2,699)	(2,122)	(437)	(2,449)	383	(125)	(147)
Basic loss per share	0.01	0.03	0.21	NA	0.03	NA	NA	NA
Diluted loss per share	0.01	0.03	0.21	NA	0.03	NA	NA	NA

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, 2019
Common shares	93,289,722
Options	8,447,087
Warrants	458,080
Finders' Options	265,000

As of the date of the MD&A, 93,289,722 common shares were issued and outstanding. In addition, as of the date of the MD&A, there 8,447,087 stock options outstanding with exercise prices ranging from 0 to CAD$1 per share.

As of the date of the MD&A, in connection with the Qualifying Transaction, the agents of the brokered portion of the Concurrent Financing received 458,080 Broker Warrants. Each Broker Warrant is exercisable to acquire one common share of the Company at CA$1.00 per share until August 20, 2021. In addition, certain finders received 265,000 finders' options on identical terms as the Broker Warrants.

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.

Since 2013 to date, 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 a written notice of not less than 90 days. For the year ended December 31, 2019, the Company paid Bohensky Consulting and Investments Ltd a total amount of $370.

Since 2014 to date, 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 a written notice of not less than 60 days. For the year ended December 31, 2019, Develop Soft provided the software development services through 12 of its employees, who are assigned to the Company's research and development team. For the year ended December 31, 2019, the Company paid Develop Soft a total amount of $465.

Balances with related parties as at December 31,2019, include amounts payable to related parties consists of $86.

Financial Instruments and Risk Factors

The Company operates in a highly 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 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 and the New Israeli Shekel ("NIS") result mainly from salaries and related expenses that are stated in NIS. The Company acts to reduce the currency risk by means of holding its liquid resources in short-term deposits (NIS and USD). During the year ended December 31, 2019, no change took place in the exposure to currency risk or in the manner in which the Company manages and measures the risk.

Management of credit risk

Before receiving a new customer and during the year ended December 31, 2019, the Company conducts research on the financial strength of the customer and requests the customer to provide credit references from other suppliers with whom the customer maintains business relations. In addition, the Company purchased a credit insurance policy for most 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 on-going 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 which the Company is exposed to.

Critical Accounting Estimates

Significant Accounting Judgements and Key Sources of Estimation are summarized in Note 3 to the Company annual audited financial statements for the year ended December 31, 2019 and have not changed during the year.

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**").

Recently adopted accounting pronouncements

IFRS 16, Leases ("**IFRS 16**") was issued by the IASB in January 2016 and specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. An entity applies IFRS 16 for annual periods beginning on or after January 1, 2019. A lessee shall either apply IFRS 16 with full retrospective effect or alternatively not restate comparative information but recognize the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application. At the transition date, the Company had a lease of vehicles with a monthly lease payment of $1, as well as office rent that ended on March 2019. At the transition date, there was no significant effect on the Company's position and results of operations. During the second quarter of 2019, the Company entered into a new office rent agreement for a period of four years with a monthly lease payments of $34. The rent payable under the agreement was increased in the third quarter by an additional monthly payment of $13, due to the company's need of a larger office space. During the year ended December 31, 2019 the Company entered into new vehicle lease agreements, each for a period of three years, with an average total monthly lease payment of $5.

Public Health Crisis

In March 2020, the World Health Organization declared a global pandemic known as COVID-19. The expected impacts on global commerce are expected to be far reaching. This will impact demand for the Company's products and services in the near term. It may also impact expected credit losses on the Company's receivables. The duration and impact of the COVID-19 outbreak are unknown at this time and it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its subsidiaries in the future periods. As of now, Postponed or canceled sports events causing our related clients to reduce their budget, we are expecting that once sports events are back it would have a substantial effect on the company's revenue, profits of financial position. The management of the Company is closely evaluating the impact of COVID-19 on the Company's business. The Company took a number of steps to mitigate the impact of the pandemic on our targets for 2020, such as decreasing all salaries by 25% for April and May 2020 and reducing its service providers expenses. Further steps will be taken according to the Company's financial situation.

ADDITIONAL INFORMATION

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