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 six months ended June 30, 2021 and should be read in conjunction with the Company’s consolidated interim financial statements for the six months period ended June 30, 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 consolidates 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 August 24, 2021.

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 ongoing 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. concentrated customer base, as ten of the Company’s customers comprise 83% of its revenues for the period ended June 30, 2021

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

17. the ability of the Company to achieve its revenue outlook for fiscal 2021, including the risk that it is unable to grow its revenue organically or grow revenue through acquisitions;

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

19. 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, 2021. 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 there from. 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 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. 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, its focused on efficient mobile first 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, including most recently by companies such as Philippine Star Media Group, and GMA Networks.

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 madia channels to add additional options to its customers. Zoomd obtained the "TikTok Marketing Partner Certification" in 2021, 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. Additionally, once the milestones of the product roadmap are completed, one of the Company's self served products will also be offered in a full production license based SaaS model. The SaaS product will be offered to customers that prefer self managing all their premium and social media sources rather than a managed service by third parties.

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 way, to improve its customer's user acquisition campaign results and on going 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 creativ 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 both an internal site search solution while also providing mobile and general digital media buying solution.

Management believes that the Company's platform already has its 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 don't 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 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, but without having to deal with new dashboards or platforms to manage such media sources. Management believes that the Company's advantage over its competitors in this segment, once the product is finalized and launched, 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.

In all, 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 it 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 more than 600 media channels, consolidating all data and streaming it into a centralized dashboard, giving the advertiser the ability to view, analyse and optimise their campaign on hundreds of channels in a single platform, thereby saving the advertiser resources and maximising their advertising budget. There is no dependency on any specific supplier or traffic channel.

- As a layer on the ecosystem, management believes that the Company is well positioned within the industry, as its platform has a low impact with respect of privacy, tracking and measurement of changes while the industry is going through various privacy-centered initiatives, including iOS 14 identifier, Google cookie sunset and Google 3rd party cookie tracking.

- 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 is integrated on a wide variety of media sources, offering its customers numerous acquisition channels, including social channels, global publishers, ad networks, SDK networks, media exchanges/ DSP's, incentivise networks, affiliate networks, mobile operators and device manufactures.

- For the self-serve, premium media SaaS version of the platform, the Company uses a monthly subscription-based license that is not tied to the monthly media budget of the advertiser.

- The 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 2021 Revenue Outlook

- There are no material changes from the previous outlook provided in the MD&A for the year ended December 31, 2020.

- Management anticipates revenue growth between 30% to 40% from $25.4 million up to $35.6 million for the year ending December 31, 2021. This outlook reflects the following assumptions:

    - **Organic Growth** – Management estimates that at least $4 million of the revenue growth for the year ending December 31, 2021 to be caused primarily by the existing business model where the key drivers are:

- New customers acquired primarily during the second half of 2020 through to the beginning of the year 2021, which are expected to increase their marketing spend as they become more familiar with the platform, the services and the results.

- New customers acquired by the newly launched Self-Served products: Performance, Premium channels, and DSP.

- Post-COVID online advertising demand surge, especially from sectors that were shut down during the height of the pandemic and are beginning to reopen, such as sports.

- Geographical expansion in India, East Europe, the Philippines, and Japan announced earlier this year.

- **Mergers and Acquisitions** – Management estimates that up to $6 million of the revenue growth for the year ending December 31, 2021 to be caused primarily as a result of acquisitions of carefully selected target companies that are in line with the Company's business, strategy, and vision. The Company's acquisition of "Performance Revenues" which was announced on February 9, 2021 has been factored into the above expectation as management believes it will bear a positive impact on its revenue growth in 2021.

Financial Operations Overview

Financial Period ended June 30, 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 60% to 70%. Revenues are recognized 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 recognized, taking into consideration any contractual cap with such advertisers. This revenue stream depends on several factors, including the Company's ability to access user data collected by third party sources. Such access may be impeded by certain privacy initiatives undertaken in the industry, including Apple's announcement about implementing an "opt-in" regime for certain data collection in iOS 14.

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 recognized 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 2021. 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 2021 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 recognized in the statement of comprehensive loss to "**finance expenses**" and "**finance income**".

Overview of Operating Results

Six and three months ended June 30, 2021 compared to six and three months ended June 30, 2020

Revenues

For the six months ended June 30, 2021, revenues amounted to $17,993, as compared to $12,189 for the six months ended June 30, 2020, an increase of approximately 47% 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, and the deployment and expansion of new services and features and through acquisition. The Company's management maintain its anticipation for yearly revenue growth between 30% to 40% as mentioned above.

For the three months ended June 30, 2021, revenues amounted to $11,157, as compared to $5,676 for the three months ended June 30, 2020, an increase of approximately 97% year over year and a 165% quarter over quarter growth, which carried the Company to an all time high record. The increase in revenues is primarily a result of onboarding new clients in recent months, growing existing accounts and the Company's expansion into growth geographies such as Latin America and Asia. 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.

Cost of Sales

For the six months ended June 30, 2021, cost of sales amounted to $11,898, or 66% of revenues, as compared to $8,471, or 69% of revenues for the six months ended June 30, 2020. Gross profit was 34% for the six months ended June 31, 2021 compared to 31% for the same period in 2020. The improvement in the gross profit margin was primarily attributable to the Company's decision to disengage from less profitable customers and general client base diversification, thereby not connecting the Company's performance to any specific industry.

For the three months ended June 30, 2021, cost of sales amounted to $7,500, or 67% of revenues as compared to $3,926, or 69% of revenues for the three months ended June 30, 2020, an increase of $3,574. Gross profit was 33% for the three months ended June 31, 2021 compared to 31% for the same period in 2020. The increase is primarily attributed to the increase in revenues

Operating Costs and Expenses

The following table summarizes operating expenses for the six and three ended June 30, 2021 and 2020:

	Six months ended June 30,		Three months ended June 30,	
	2021	**2020**	**2021**	**2020**
R&D Salaries and Related Expenses	399	1,005	200	482
R&D Subcontractors and services	759	1,297	352	709
Share-Based Payments	28	23	11	12
Depreciation and Amortization	871	795	443	397
Total R&D expenses (1)	**2,057**	**3,120**	**1,006**	**1,600**
S&M Salaries and Related Expenses (2)	1,660	1,284	881	578
G&A Salaries and Related Expenses (2)	770	771	387	356
G&A Professional Fees	484	489	201	203
Advertising Expenses (3)	306	226	162	136
Share-Based Payments	74	92	34	55
Depreciation and Amortization	425	436	210	214
Other G&A and S&M Expenses (4)	276	254	155	48
Total SG&A expenses	**3,995**	**3,552**	**2,030**	**1,590**
Total operating expenses	**6,052**	**6,672**	**3,036**	**3,190**

Notes:

1. The decrease in R&D expenses 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 served SaaS platform and such related expenses were capitalized and recorded as an intangible asset. During the six months and the three months periods ended on June 30, 2021, the Company capitalized related expenses in the amount of $875 and $411 respectively. If one disregards the capitalization of R&D costs during the period, there is no material change to the R&D expense year over year.
2. S&M salary expenses increase primarily due to new employees joined the Company after the acquisition of Performance Revenues Ltd, the continued organic growth the Company exhibited during the period, increases in sales department bonuses as part of the significant growth in revenues and the termination of salary reductions for all employees and service providers due to the significant improvement in the Company's results and positive EBITDA. G&A salary change is not material.
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. The Company has also upgraded its website to include its new product offering, including its self-serve products (Performance, SaaS).
4. The increase in other G&A and S&M expenses during the three months period ended June 30, 2021 reflects the effect of COVID-19 in 2020 on company's general office related expenses such as office expenses, communications, and travel expenses which significantly declined during the same period in 2020. The other G&A and S&M expenses changes for the six months period were not material

Operating Income/ Loss

Operating loss for the six months ended June 30, 2021 was $17 as compared with $2,954 for the six months ended June 30, 2020, a decrease of $2,937. The decrease attributed to the increase in revenues and the improvement in the gross profit margin. In addition, the loss was impacted by the Company's capitalization of software development.

Operating income for the three months ended June 30, 2021, was $621 as compared with operating loss of $(1,440) for the three months ended June 30, 2020, an increase of $2,061. The decrease in the operating loss carried the Company to operating profit for the first time since it became listed on the TSXV. The decrease in the operating losses for the three months ended in June 30, 2021 is primarily attributed to the increase in revenues and the improvement in the gross profit margin.

Adjusted EBITDA for the six months ended June 30, 2021 was $1,381 as compared with Adjusted EBITDA of $(1,607) for the six months ended June 30, 2020, an increase of $2,988. The improvement in the Adjusted EBITDA is primarily attributed to the sequential increase in revenue over three consecutive quarters and the improving gross profit margins over the period. In addition the capitalization of software development costs impacted Adjusted EBITDA, all of which carried the Company to the highest Adjusted EBITDA during any six months since it became listed on the TSXV.

Adjusted EBITDA for the three months ended June 30, 2021 was $1,318 as compared with Adjusted EBITDA loss of $(760) for the three months ended June 30, 2020 an increase of $2,078. The improvement in the Adjusted EBITDA is primarily attributed to the increase in revenue and the improvement in the gross profit margin, as well as to the capitalization of software development costs, all of 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 six and three months ended June 30, 2021 and 2020:

	Six months ended		**Three months ended**	
	June 30, 2021	**June 30, 2020**	**June 30, 2021**	**June 30, 2020**
Operating gain/(loss)	(17)	(2,954)	621	(1,440)
Adjustments:				
Depreciation and amortization	1,296	1,232	653	613
Cost of share-based payments	102	115	44	67
Total adjustments	1,398	1,347	637	680
Adjusted (negative) EBITDA	**1,381**	**(1,607)**	**1,318**	**(760)**

Finance Expenses, Net

For the six months ended June 30, 2021, finance expenses decreased by $176 compared to the six months ended June 30, 2020. The decrease is primarily related to changes in foreign exchange rate between USD and NIS for the period. To date, the Company has hedged most of its foreign currency transactions in order to control fluctuations in currency exchange rates.

For the three months ended June 30, 2021, finance expenses decreased by $42 compared to the three months ended June 30, 2020. The change is not material.

Net Income/ loss

Net loss for the six months ended June 30, 2021 was $127 as compared with a net loss of $3,239 for the six months ended June 30, 2020, a decrease in net loss of $3,112. The decrease in net loss is mainly attributed to the increase in revenues and the decrease in our operating loss as discussed above.

Net income for the three months ended June 30, 2021 was $540 as compared with a net loss of ($1,479) for the three months ended June 30, 2020, an improvement of $2,019. The change is mainly attributed to the significant increase in revenue and the decrease in our operating loss as discussed above.

Summary of Quarterly Results

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

	Q2 2021	**Q1 2021**	**Q4 2020**	**Q3 2020**	**Q2 2020**	**Q1 2020**	**Q4 2019**	**Q3 2019**
Revenue	11,157	6,776	6,609	6,625	5,676	6,513	7,544	5,904
Operating Gain/ (Loss)	621	(638)	(806)	(1,488)	(1,440)	(1,514)	(1,131)	(1,059)
Adjustments:								
Depreciation and amortization	653	643	627	613	613	619	574	574
Cost of share-based payments	44	58	35	25	67	48	53	105
Adjusted EBITDA	1,318	63	(144)	(850)	(760)	(847)	(504)	(380)
Basic Income (loss) per share	0.01	(0.01)	(0.01)	(0.02)	(0.01)	(0.02)	(0.01)	(0.03)
Diluted Income (loss) per share	0.01	(0.01)	(0.01)	(0.02)	(0.01)	(0.02)	(0.01)	(0.03)

Liquidity & Capital Resources

As at June 30, 2021, the Company held cash in the amount of $2,193, trade receivables in the amount of $8,607, other current assets in the amount of $232, trades payables in the amount of $3,856, current liabilities in the amount of $4,751 and a short term bank loan of $2,004.

To date, the Company has funded its operations primarily by way of equity offerings and the sale of convertible debt securities in 2019 to the Company's shareholders in a total amount of $11,136.

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

The following summarizes the Company's statement of cash flow for the six and three ended June 30, 2021 and 2020.

Net Cash Used in Operating Activities

Net cash used in operating activities for the six months period ended June 30, 2021 was $583 as compared to $1,226 for the six months period ended June 30, 2020. The decrease in used in operating activities is primarily attributed to the increase in revenues and the increase in gross profit due to the Company's decision to disengage from less profitable customers.

Net cash used in operating activities for the three months period ended June 30, 2021 was $404 as compared to $166 for the three months period ended June 30, 2020. The increase in cash used in operating activities is primarily attributed to the change in working capital accounts over the comparative periods.

Net Cash Used in Investing Activities

Net cash used in investing activities for the six months period ended June 30, 2021 was $1,481 as compared to net cash used in investing activities of $25 for the six months period ended June 30, 2020. The change in net cash used in investing activities was primarily due to capitalization of software development costs during the period and consideration paid related to the acquisition of Performance Revenue on February 9, 2021 (as described below).

Net cash used in investing activities for the three months period ended June 30, 2021 was $662 as compared to net cash generated from investing activities of $33 for the three months period ended June 30, 2020. The change in net cash used in investing activities was primarily due to capitalization of software development costs during the period and a bank deposit security for short term bank credit.

Net Cash generated from (used in) Financing Activities

Net cash generated from financing activities for six months period ended June 30, 2021 was $1,686 as compared to net cash used in of $302 for the six months period ended June 30 31, 2020. The increase was primarily related to proceeds from short term bank credit line.

Net cash generated from financing activities for three months period ended June 30, 2021 was $1,860 as compared to net cash used in of $126 for the three months period ended June 30, 2020. The increase was primarily related to drawdowns from line of credit.

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:

	June 30, 2021
Common shares	95,146,474
Options	8,050,445
Warrants	458,080
Finders' Options	265,000

As of the date of the MD&A, 95,146,474 common shares were issued and outstanding. In addition, as of the date of the MD&A, 8,050,445 stock options were outstanding with exercise prices ranging from CA$0 to CA$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. As of the date of this MD&A, all of the Warrants have expired unexercised.

On March 30, 2020, the Company's board has approved a financial services agreement with one of its consultants. The consultant began providing the services in April 2020. Pursuant to the agreement, the Company will issue to the consultant up to 3,800,000 stock options. The options will be issued in accordance with a specified schedule over a period of two years. 50% of the options issued on any date will vest immediately (the "**Vested Options**") and may be exercised in whole or in part, during the period of one year thereafter. The exercise price per Vested Option will be the greater of: CA$0.65, and the lower of (X) the Market Price (as such term is defined by Policy 1.1 of the TSXV); or (Y) the Discount Market Price (as such term is defined by Policy 1.1 of the TSXV) but only in circumstances where the option plan of the Company permits the Discount Market Price to be used on the date of the grant. The remaining 50% of the options (the "**Unvested Options**") will vest upon the satisfaction of certain performance conditions. Subject to compliance with the requirements of the TSXV, the exercise price per Unvested Option shall be CA$1.00 (or such greater amount, but only to the extent required to comply with the rules of the TSXV). If the vesting conditions are not satisfied within one year of the date of the agreement, the Unvested Options will not vest and be canceled. Once vested, the Unvested Options may be exercised, in whole or in part, during a period of six months following such vesting date. As of the date of this MD&A, all of the issued Vested and Unvested Options have expired unexercised.

On December 29, 2020, the Company granted 1,220,000 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$0.18 per share and an expiry date of December 29, 2025.

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 US1,023, 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.

The acquisition opens direct access for Zoomd to additional top-tier global advertisers and a strong entry into the Japanese market. The acquisition is expected to enable Zoomd 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 from the date of its incorporation to the date of this MD&A.

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 period ended June 30, 2021, the Company paid Bohensky Consulting and Investments Ltd. a total amount of $126.

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 period ended June 30, 2021, Develop Soft provided the software development services through its employees, who are assigned to the Company's research and development team. For the period ended June 30, 2021, the Company paid Develop Soft a total amount of $236.

Outstanding balances with related parties as of June 30, 2021, (including amounts payable to such parties), consist of $58.

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

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, 2020 and have not changed during the following interim period.

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.

The management of the Company 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.

APPROVAL

The Directors of Zoomd have approved the disclosures contained in this MD&A.

ADDITIONAL INFORMATION

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