INTEMA

Technologies + Marketing

Management's Discussion and Analysis

For the third quarter ended September 30, 2020

BASIS OF PRESENTATION

The following Management's Discussion and Analysis ("MD&A") of the results of operations and financial position of Intema Solutions Inc. ("Intema" or the "Company") must be read in conjunction with the unaudited interim financial statements of the Company and the accompanying notes for the three-month period ended September 30, 2020, and with the most recent audited annual financial statements and MD&A for the year ended December 31, 2019. The interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and are available on SEDAR (www.sedar.com). This MD&A reflects information available to the Company as at November 27, 2020.

FORWARD-LOOKING STATEMENTS

This MD&A may contain "forward-looking statements". All statements other than statements of historical facts included in this MD&A, including, without limitation, those regarding the projected financial performance of the Company; the expected development of the Company's business and projects; execution of the Company's vision and growth strategy; sources and availability of financing for the Company's projects; renewal of the Company's current customer, supplier and other material agreements; and future liquidity, working capital, and capital requirements, are forward-looking statements. Although the forward-looking statements in this MD&A are based upon what management of the Company believes are reasonable assumptions, there can be no assurance that they will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

NON-IFRS FINANCIAL MEASURES

The term EBITDA (Earnings Before Interest, Income Taxes, Depreciation and Amortization) does not have a standardized meaning prescribed by IFRS. Therefore, EBITDA may not be comparable to similar measures presented in other financial statements of other issuers. The Company defines EBITDA as income from continuing operations before amortization of tangible and intangible assets, provision for impairment of goodwill and other intangible assets, interest, gains or losses on disposal of assets, gains on debt settlement, gains or losses on foreign exchange and income taxes on the result. Management believes that EBITDA is an important measurement tool as it allows us to evaluate the performance of the Company arising from operating activities irrespective of elements that depend mainly on non-operating factors such as the historical cost. EBITDA allows us to compare the operating performance of the Company consistently. Several analysts and investors use EBITDA to evaluate and measure the Company's ability to repay its debt and meet its various payment obligations.

OVERVIEW

Intema Solutions Inc., incorporated under the Canada Business Corporations Act, is a company which mainly provides email marketing solutions to approximately 18,000 users in 84 countries. The Company's shares are listed on the TSX Venture Exchange and currently trades under the symbol «ITM».

Intema's mission is to be the world's premier digital marketing platform. The Company has been simplifying and optimizing the online marketing activities of medium and large companies through innovative technologies and cutting-edge expertise for over 20 years. A Canadian leader in permission-based email marketing, Intema provides a wide range of products and services, including Artificial Intelligence (AI) predictive marketing and SMS marketing, as well as related professional services. More information about the Company is provided at its corporate website at intema.com and its product websites eflyermaker.com and matcheranalytics.com.

CORPORATE HIGHLIGHTS (as at the date of this MD&A)

- **November 6, 2020** – the Company issued 10,999,000 shares pursuant to debt settlement agreements totalling $274,975.
- **October 20, 2020** – the Company announced that it ended its negotiations to acquire Publipage Inc. by mutual agreement with Publipage.

SELECTED FINANCIAL HIGHLIGHTS

(In Canadian dollars)	Three months ended September 30		Nine months ended September 30	
	2020	2019	2020	2019
FINANCIAL PERFORMANCE				
Revenues	38,970	99,673	100,892	423,267
Gross profit	183	29,602	(115,025)	240,009
EBITDA (1)	(108,768)	(363,534)	(881,495)	65,213
Net loss	(145,335)	(402,404)	(994,095)	(36,046)
Loss per share — basic and diluted	(0.002)	(0.008)	(0.014)	(0.001)
	As of Sep. 30 2020	As of Dec. 31 2019		
FINANCIAL SITUATION				
Cash and cash equivalents	30,041	501,887		
Working capital	(351,833)	393,831		
Shareholder's equity	(526,559)	467,531		
Long-term debt (current and long-term portions) and debentures	419,760	291,859		

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RECONCILIATION OF NET LOSS TO EBITDA

(In Canadian dollars)	Three months ended September 30		Nine months ended September 30	
	2020	2019	2020	2019
Net loss	(145,335)	(402,404)	(994,095)	(36,046)
Interest expense	2,659	13,131	11,124	18,050
Depreciation of assets and other intangible assets	33,908	25,739	101,476	83,209
EBITDA	(108,768)	(363,534)	(881,495)	65,213

OPERATING RESULTS

Revenues

For the third quarter of 2020, revenues decreased to $38,970, from $99,673 for the same quarter a year ago. The decrease was mostly due to the loss of a contract with a large financial institution in November 2019, which has been partially reinstated in November 2020. For the nine-month period, revenues decreased to $100,892 from $423,267 for the same period a year ago.

Gross Margin

For the third quarter of 2020, gross profit was $183, compared to $29,602 a year ago. Gross margin was 0.5% in 2020 versus 29.7% in 2019. The decrease in gross profit and gross margin was mainly due to the decrease in sales and the deleveraging of fixed costs. For the nine-month period, gross profit decreased to ($115,025) from $240,009 for the same period a year ago.

Selling and Administrative Expenses

Selling and administrative expenses for the third quarter of 2020 totalled $149,807 compared to $294,383 in 2019. For the nine-month period, selling and administrative expenses increased to $761,195 from $711,019 for the same period a year ago. During the nine-month period, other financial and contractual legal issues had a negative impact on the Company's expenses.

Research and Development Expenses

For the third quarter of 2020, the Company received research and development tax credits of $6,948 compared to incurring research and development expenses of $43,457 in 2019. For the nine-month period, research and development expenses decreased to $106,751 from $127,905 for the same period a year ago.

EBITDA

EBITDA increased from a loss of ($363,534) to a loss of ($108,768) for the third quarter of 2020. The $254,766 increase is mainly attributable to the decrease in net loss incurred in 2020. For the nine-month period, EBITDA decreased from $65,213 to a loss of ($881,495) for the same period a year ago.

Net Loss

For the third quarter ended September 30, 2020, the Company recorded a net loss of ($145,335), or ($0.002) per basic and diluted share, compared to a net loss of ($402,404), or ($0.008) per basic and diluted share in 2019. For the nine-month period, the Company recorded a net loss of ($994,095), or ($0.014) per basic and diluted share, compared to a net loss of ($36,046), or ($0.001) per basic and diluted share, for the corresponding period of 2019.

OUTLOOK

The Company will continue to work on improving its relations with existing customers and increasing sales in its niche compliance-structured financial services market and other potential markets, such as the growing telehealth market. It will also seek to enhance its service offering and grow its customer base through strategic partnerships.

SUMMARY OF QUARTERLY RESULTS

(In Canadian dollars, except per share amounts)	2020 Q3	2020 Q2	2020 Q1	2019 Q4
Revenues	38,970	30,078	58,187	85,822
EBITDA (1)	(108,678)	(218,428)	(415,365)	(449,038)
Net loss	(145,335)	(276,681)	(421,261)	(548,541)
Loss per share – basic and diluted	(0.002)	(0.004)	(0.008)	(0.0112)

(In Canadian dollars, except per share amounts)	2019 Q3	2019 Q2	2019 Q1	2018 Q4
Revenues	99,673	149,353	174,241	151,089
EBITDA (1)	(363,535)	(79,239)	(35,274)	(82,234)
Net earnings (loss)	(402,405)	(110,219)	476,579	(473,462)
Earnings (loss) per share – basic and diluted	(0.008)	(0.001)	0.005	(0.012)

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Several factors can cause quarterly variances, such as seasonality, vacations and statutory holidays, and Intema's software solutions sales cycle, which may not necessarily be indicative of future results.

For Q1 2019, the net earnings were mainly due to a gain on debt settlement related to the proposal to creditors.

CASH FLOWS

Three-month periods ended September 30: (In Canadian dollars)	2020	2019	Variance
Cash flow used in operating activities	(70,335)	(392,066)	321,731
Cash flow used in investing activities	(7,669)	(12,248)	4,579
Cash flow from financing activities	100,000	571,803	(471,803)
Net increase (decrease) in cash and cash equivalents	21,996	167,489	(145,943)

Operating Activities

Cash flow used in operating activities was $70,335 in the third quarter of 2020, compared to $392,066 in 2019. The $321,731 variation was mainly due to the decrease in net loss for the period.

Investing Activities

Cash flow used in investing activities was $7,669 in the third quarter of 2020, compared to $12,248 a year ago. The $4,579 variation was mainly due to the decreased amount related to acquisition of intangible assets.

Financing Activities

Cash flow from financing activities was $100,000 in the third quarter of 2020, compared to $571,803 a year ago. The $471,803 variance was mainly due to the issuance of share capital, mainly offset by a decrease in short-term debt in 2019.

FINANCIAL POSITION

The following table shows the main variances that have occurred in the financial position of the Company for the third quarter ended September 30, 2020:

(In Canadian dollars)	Sep. 30, 2020	Dec. 31, 2019	Variance	
Cash and cash equivalents	30,041	501,887	(471,846)	Decrease due to continuing operations
Employee benefits	142,151	49,903	99,404	Increase due to increase in severance packages in 2020
Trade and other payables	256,485	167,974	88,511	Increase in trade and other payables due to decrease in sales in the first nine months of 2020
Long-term debt (including current portion)	419,760	291,859	127,901	New long-term loans totalling $150,000 in the first nine months of 2020

TRANSACTIONS BETWEEN RELATED PARTIES

During the third quarter ended September 30, 2020, the Company performed transactions with some officers and directors and companies controlled by officers or directors of Intema.

The Company's key management personnel are members of the Board of Directors, the President and Chief Executive Officer, the Chief Operating Officer and the Chief Financial Officer. Key management personnel remuneration includes the following expenses:

(In Canadian dollars)	Three months ended September 30	
	2020	2019
Salaries and benefits	37,500	30,000
Professional fees	-	46,176
	37,500	76,176

CAPITAL STRUCTURE

The following table sets out the common shares, stock options and warrants of the Company that are outstanding as at the date of this MD&A:

	November 27, 2020
Outstanding common shares	**79,753,790**
Warrants (weighted average exercise price: $0.10)	15,000,000
Fully diluted common shares	**94,753,790**

OFF-BALANCE SHEET AGREEMENTS

The Company does not have any off-balance sheet agreements.

FINANCIAL RISK FACTORS

The Company operates in an industry subject to various financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. In order to minimize the negative effects on its financial performance, the Company has centralized cash management for defining, assessing and hedging financial risks.

The interim financial statements and MD&A do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the annual financial statements for the fiscal year ended December 31, 2019. The Company is not aware of any significant changes to the Company's risk factors from those disclosed at that time.

RISK FACTORS

For a detailed description of risk factors associated with the Company, please refer to the "Risk Factors" section of the Company's MD&A for the fiscal year ended December 31, 2019. The Company is not aware of any significant changes to the Company's risk factors from those disclosed at that time.

INTEGRITY OF FINANCIAL INFORMATION

The Company's management and board of directors are responsible for setting up and maintaining information systems and controls in place, ensuring the reliability of information disseminated both inside and outside the Company. The Company has implemented a communication policy with shareholders, the relevant regulatory authorities and the public. The objective of this policy is to ensure that the information disclosed is complete and relevant. The Company announces material changes through press releases on time. The press releases are reviewed and approved by the directors and are made available to the public in accordance with the stated policies of the TSX Venture Exchange. The Company informs its shareholders at shareholder meetings as well as through press releases, quarterly and annual financial statements, and MD&A.

The Audit Committee, composed of a majority of independent directors, has a mandate to report to the Board of Directors and evaluate:

a) The integrity of financial statements and related disclosures of the Company.

b) Independence, qualifications and appointment of the independent auditor of the Company.

c) The Company's compliance with laws and regulations.

d) Management responsibility for reporting on internal controls.

CONTROL SYSTEMS REGARDING FINANCIAL INFORMATION

Management is responsible for the establishment and maintenance of control systems with regard to financial reporting to provide reasonable assurance regarding the reliability of financial information under IFRS. The President and Chief Executive Officer and the Chief Financial Officer, based on their evaluation of these controls for the quarter ended September 30, 2020, concluded that the design of internal control is effective in regard to financial reporting and has not made any changes to the internal controls over financial reporting during the year ended December 31, 2019, which could influence or be likely to materially affect internal controls of the Company with respect to financial reporting.

CONTROLS AND DISCLOSURE PROCEDURES

The Chief Executive Officer and Chief Financial Officer of the Company are responsible for establishing and maintaining controls and disclosure procedures, as defined by National Instrument 52-109 of the Canadian Securities.

ADDITIONAL INFORMATION

Additional information about the Company is available on our website at www.intema.com and on SEDAR at www.sedar.com.

November 27, 2020

(signed)
Laurent Benezra
Chief Executive Officer

(signed)
Anna Kastelorizios
Interim Chief Financial Officer