Adcore Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2019

Dated November 25, 2019

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This management's discussion and analysis ("**MD&A**") relates to the operating results and financial position and cash flows of Adcore Inc. (the "**Corporation**" or "**Adcore**") and its wholly owned subsidiary Podium Advertising Technologies Ltd., ("**Podium**") as of and for the three and nine months ended September 30, 2019 and 2018. This analysis should be read in conjunction with the condensed interim consolidated financial statements of the Corporation as at and for the three and nine months ended September 30, 2019 and 2018 (the "**Condensed Interim Consolidated Financial Statements**"). For the avoidance of doubt, any reference to the Corporation in this MD&A fully incorporates and includes Podium and/or any other future subsidiary of the Corporation.

The condensed Interim consolidated Financial Statements of the Corporation, and extracts of those financial statements provided in this MD&A in accordance with International Financial Reporting Standards ("**IFRS**"). References to the symbol "CAD$" mean the Canadian dollar. References to the symbol "NIS" mean the New Israeli Shekel, the official currency of Israel. Except as otherwise set out herein, all amounts expressed herein are in United States dollars, denominated by "$" or "US$", the functional currency of the Corporation. As a result of the rounding of dollar differences, certain total dollar amounts in this MD&A may not add exactly to their constituent amounts. Throughout this MD&A, percentage changes are calculated using numbers rounded as they appear. Readers are cautioned that this MD&A contains certain forward-looking information. Please see the "Forward Looking Statements" section which follows.

The information in this report is dated as of November 25, 2019.

FORWARD-LOOKING STATEMENTS

This MD&A contains "forward looking statements" that reflect the Corporation's current expectations and projections about its future results. When used in this MD&A, forward looking statements can be identified by the use of words such as "may", or by such words as "will", "intend", "believe", "estimate", "consider", "expect", "anticipate", and "objective" and similar expressions or variations of such words. Forward looking statements are, by their nature, not guarantees of the Corporation's future operational or financial performance and are subject to risks and uncertainties and other factors that could cause the Corporation's actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. No representation or warranty is intended with respect to anticipated future results, or that estimates or projections will be sustained.

In developing the forward-looking statements in the MD&A, the Corporation has applied several material assumptions, including the availability of financing on reasonable terms, the Corporation's ability and general business and economic conditions. Many risks, uncertainties and other factors could cause the actual results of the Corporation to differ materially from the results, performance, achievements or developments expressed or implied by such forward-looking statements. These risks, uncertainties and other factors include, but are not limited to the following: overall economic conditions, rapid technological changes, demand for our product, the introduction of competing technologies, competitive pressures, network restrictions, fluctuations in foreign currency exchange rates, and other similar factors that may cause the actual results, performance or achievements to differ materially from those expressed or implied in these forward-looking statements.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of the MD&A or as of the date otherwise specifically indicated herein. Due to risks and uncertainties, including the risks and uncertainties elsewhere in this MD&A, actual events may differ materially from current expectations. The Corporation 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 the MD&A are expressly qualified in their entirety by this cautionary statement.

OVERVIEW

Adcore is a digital advertising technology company. Using machine learning artificial intelligence ("**AI**") technology, Adcore's suite of software-as-a-service ("**SaaS**") products provide digital advertisers with smart algorithm-powered automation tools and reporting and analytics in order to help them improve online advertising effectiveness, maximize their return on advertising investment, and scale-up their digital campaigns. Adcore's customers include customers from Asia-Pacific, Europe, the Middle East, and North America, including enterprise companies, and small- and medium-sized businesses.

Adcore's technology developers use machine learning, the branch of AI involving systems that learn from data. Large volumes of data are gathered, and Adcore's proprietary learning algorithms are designed to generalize from that data to other cases of interest. Rapidly shifting data combined with a large volume of data requires training algorithms which are the foundation of Adcore's search engine marketing platform.

Adcore offers three SaaS solutions. SEMDOC² provides advertisers a powerful account auditing solution, utilizing both machine learning and smart algorithms to formulate 52 key insights and metrics on the account and campaign level. SEMDOC²'s powerful visual dashboard gives advertisers a clean and simple user interface to pin-point exact areas of weakness and missed opportunities – guiding them to superior results. Adcore VIEWS is a search automation solution which provides advertisers with a powerful algorithm bid management feature, which utilizes both machine learning and historical data which optimize and manage advertisers' campaigns in the most efficient manner, ensuring their targets are met as effectively as possible. Adcore VIEWS also gives its users the ability to create and automate their own rule based campaign management machine, which runs according to each users specified needs. FEEDITOR offers advertisers online shopping automation capabilities. From its ability to automate over one million campaigns to its inventory plug-in, FEEDITOR ensures that advertisers' ads are always up-to-date and in sync with their inventory. FEEDITOR uses machine learning algorithms to ensure that ads are seen at the right place, at the right time, for the right amount of money. Altogether, the Adcore Technology suite combines the industry's leading automation and machine-learning – in order to ensure that advertisers reach the highest return on investment and scale in the most effective manner.

RESULTS OF OPERATIONS

Summary of quarterly results (in thousands of US$):

	September 30, 2019	**June 30, 2019**	**March 31, 2019**	**September 30, 2018**	**June 30, 2018**	**March 31, 2018**
Total revenues	3,027	2,684	2,430	2,448	1,813	1,905
Gross profit	1,938	1,560	1,558	1,376	1,006	852
Total comprehensive income	598	(973)	703	514	175	183

(*) After giving effect to the Company Split (as defined below).

Significant Developments for the nine months ended September 30, 2019 and to the date of this report

On March 12, 2019, Podium entered into a letter of intent with County Capital One Ltd. ("**County**"), a capital pool company, for a transaction (the "**Transaction**") that will result in a reverse take-over of County by the security holders of Podium.

On April 18, 2019, Podium, the shareholder of Podium and County entered into a securities exchange agreement (the "**Definitive Agreement**") and County also filed a preliminary non-offering prospectus with the TSX Venture Exchange ("**TSX-V**") and the securities regulators in the provinces of Ontario, British Columbia and Alberta in respect of the Transaction.

On May 17, 2019, County announced that it has received conditional approval from the TSX-V for the Transaction.

On May 27, 2019, County announced that it had completed its previously announced acquisition of all of the issued and outstanding securities of Podium as County's "Qualifying Transaction". Concurrently with the closing of the Transaction, Podium also closed its previously announced brokered private placement of subscription receipts at CAD $0.50 per subscription receipt for gross proceeds of $2,558,500.

On May 29, 2019, County began trading on the TSX-V under the new name "Adcore Inc." with the trading symbol: ADCO.V

On May 29, 2019, Adcore Inc. announced a new market making agreement with Generation Advisors Inc. to provide market making services to Adcore Inc. Adcore Inc. also announced that it has granted an aggregate of 1,950,000 incentive stock options to directors, officers, employees and consultants of Adcore Inc. in accordance with the Adcore Inc.'s stock option plan.

On July 9, 2019, Adcore Inc. announced up to $5 million contract with Australia and New Zealand's largest experiential travel site, Experience Oz.

On July 25, 2019, Adcore Inc. announced the official launch of its Toronto office including its sales and investor relations teams, to be located in downtown Toronto, Canada. The facilities and staff are fully operating and will continue to grow in-line with Adcore's strategic plan for aggressive expansion in North America.

On August 2, 2019, Adcore Inc. announced that it has retained Questrade Inc. for market making services.

On August 13, 2019, Adcore Inc. announced the renewal of CAD$125 million contract with the Israeli Government Advertising Agency ("**IGAA**") to manage its online advertising spend over 5 years.

On September 2, 2019, Adcore Inc. announced the appointment of Mr. Yatir Sadot as the new Chief Financial Officer of the Corporation.

On September 23, 2019, Adcore Inc. announced that it has obtained official Channel Status in the Microsoft Ads Partner Program.

Selected information for the nine and three months ended September 30, 2019 and 2018

The following table provides selected financial information from the Condensed Interim Consolidated Financial Statements of the Corporation for the three and nine months ended September 30, 2019 and 2018 (US Dollars in thousands):

	Nine months period ended September 30, 2019	Three months period ended September 30, 2019	Nine months period ended September 30, 2018	Three months period ended September 30, 2018
	Unaudited			
Revenues	8,141	3,027	6,166	2,448
Cost of revenues	3,085	1,089	2,932	1,072
Gross profit	5,056	1,938	3,234	1,376
Research and development expenses	483	238	304	110
Selling, general and administrative expenses	2,240	881	1,636	740
Issuance expenses	1,541	-	-	-
Operating profit	792	819	1,294	526
Finance expenses	299	19	89	-
Finance income	-	-	14	39
Profit before taxes on income	493	800	1,219	565
Tax on income	165	202	278	51
Net comprehensive profit	**328**	**598**	**941**	**514**
Other comprehensive expense for the period attributed to:				
Total actuarial loss on defined benefit pension schemes	-	-	-	-
Total comprehensive income for the period	**328**	**598**	**941**	**514**
Basic profit per share attributable to shareholders (*)	0.0069	0.0108	0.0232	0.0127
Diluted profit per share attributable to shareholders (*)	0.0068	0.0106	0.0232	0.0127

(*) After giving effect to the Company Split (as defined below).

Revenues

For the three and nine months ended September 30, 2019, total revenues amounted to $3,027K and $8,141K respectively, compared to $2,448K and $6,166K for the three and nine months ended September 30, 2018.

In 2018, the Corporation adopted a new strategy aiming to optimize the Corporation's revenue streams by focusing more on indirect agency customers with higher profit margins and lower overhead, rather than on direct advertiser customers which yield higher revenue on one hand but are with lower profit margins on the other hand, due to the high cost of revenues and overhead related to these customers' activity.

In 2019, the Corporation continued to focus on indirect agency customers with higher profit margins and lower overhead, rather than on direct advertiser customers.

The increase in revenue by $579K and $1,975K respectively for the three and nine months ended September 30, 2019 compared to the same period of the prior year, was driven primarily by the Corporation's increased business activity, that originated both from growth of its existing clients' activity and from its continued development of its acquisition efforts of indirect agency customers.

As shown in the table below of the Corporation's two revenues streams breakdown:

For the three and nine months ended September 30, 2019 the Direct advertiser customers revenue stream amounted to $1,609 and $4,020K respectively, compared to $1,407 and $3,572K for the three and nine months ended September 30, 2018, an increase of $202K and $448K, respectively.

On the other hand, for the three and nine months ended September 30, 2019 the Indirect agency customers revenue stream amounted to $1,418K and $4,121K respectively, compared to $1,041K and $2,594K for the three and nine months ended September 30, 2018, an increase of $377K and $1,527K, respectively.

	Nine months period ended September 30, 2019	Three months period ended September 30, 2019	Nine months period ended September 30, 2018	Three months period ended September 30, 2018
	Unaudited			
Direct	4,020	1,609	3,572	1,407
Indirect	4,121	1,418	2,594	1,041
Total	**8,141**	**3,027**	**6,166**	**2,448**

The Corporation's decision to increase its focus on acquisition efforts of indirect agency customers with higher profit margins and lower overhead and lower cost of revenues proved to be very successful, with revenues for the three and nine months ended September 30, 2019 growing by 24% and 32%, respectively, compared to revenues for the three and nine months ended September 30, 2018.

Our revenues may vary from quarter to quarter as a result of a variety of factors, some of which are outside of our control, such as seasonality and cyclicality. The seasonality and cyclicality of our revenues depends upon the seasonality and cyclicality of our customers. For example, advertisers in the retail sector may spend the largest portion of their advertising budgets during the fourth quarter, in preparation for the holiday shopping season, whereas advertisers in the travel industry may concentrate their spending during the third quarter, to coincide with consumer patterns and trends.

Cost of revenues

Cost of revenues consist primarily of costs for advertising, account managers salaries and related expenses and others.

For the three and nine months ended September 30, 2019 cost of revenues amounted to $1,089K (36% as a percentage of revenues) and $3,085K (38% as a percentage of revenues) respectively, compared to $1,072K (44% as a percentage of revenues) and $2,932K (48% as a percentage of revenues) for the three and nine months ended September 30, 2018, representing an increase of $17K or 2% and $153K or 5%. The cost of revenues for the three and nine months ended September 2019 and 2018 were similar, according to the Corporation's expectations.

Gross profit

For the three and nine months ended September 30, 2019 Gross Profit amounted to $1,938K (64% as a percentage of revenues) and $5,056K (62% as a percentage of revenues) respectively, compared to $1,376K (56% as a percentage of revenues) and $3,234K (52% as a percentage of revenues) for the three and nine months ended September 30, 2018, representing an increase of $562K or 41% and $1,822K or 56%.

The increase was attributable to the Corporation's large increase in the number of indirect agency customers, which have a higher Gross Profit (due to higher profit margins and lower overhead). This subsequently had an effect on the Corporation's total Gross Profit, with Revenues increasing by $1,975K and Cost of revenues increasing by $153K for the nine months ended September 30, 2019 compared to the same period in 2018.

Research and development expenses

Expenditure incurred on development activities including the Corporation's development is capitalized where the expenditure will lead to new or substantially improved products and only if all the following can be demonstrated: (i) the product is technically and commercially feasible; (ii) the Corporation intends to complete the product so that it will be available for use or sale; (iii) the Corporation has the ability to use the product or sell it; (iv) the Corporation has the technical, financial and other resources to complete the development and to use or sell the product; (v) the Corporation can demonstrate the probability that the product will generate future economic benefits; (vi) the Corporation is able to measure reliability the expenditure attributable to the product during the development; (vii) Developing a SEMDOC2 version tailored for Microsoft Ads (viii) Developing upgraded alerts and fail-over mechanisms for feeds and websites.

For the three and nine months ended September 30, 2019, research and development expenses amounted to $238K and $483K respectively, compared to $110K and $304K for the three and nine months ended September 30, 2018. The increase was largely attributable to the extensive research and development efforts required to continue the development of SEMDOC² and FEEDITOR, specifically focusing on: (i) creating a new UI design and interface changes for the bird's-eye view dashboard of SEMDOC²; (ii) improving the accuracy of SEMDOC²'s calculations; (iii) adapting the software of SEMDOC² to new Google features, such as Smart Shopping campaigns, Smart Display campaigns, etc; (iv) developing a fully automated report center for SEMDOC²; (v) developing the One-Click optimizer for SEMDOC²; and (vi) developing AI mapping for FEEDITOR.

Selling, general and administrative expenses

Selling, general and administrative expenses include sales related salaries and related expenses, marketing expenses, net from grants received, office supplies, professional services, depreciation and others.

Selling, general and administrative expenses for the three and nine months ended September 30, 2019 amounted to $881K and $2,240K respectively, compared to $740K and $1,636K for the three and nine months ended September 30, 2018, an increase of $141K and $604K. The increase was attributable to the Corporation's launch of its Toronto office, share-based payment, and travel.

Issuance Expenses (previously referred to as "Listing Expenses")

For the three and nine months ended September 30, 2019, Issuance expenses amounted to $0 and $1,541K, respectively, which were the accumulated expenses related to the Transaction from 2018 until these expenses were recognized in the three months ended June 30, 2019. For accounting purposes, Podium is considered the accounting acquirer and County is considered the acquired company. Since County's operations do not constitute a business, the acquisition of County is not a business combination pursuant to IFRS 3 and the transaction is accounted for as a reverse takeover of the publicly traded company. The reverse takeover will be accounted for under IFRS 2 Share-based Payments. Accordingly, the acquisition of County is accounted at the fair value of the consideration transferred by the accounting acquirer, which is the fair value of the equity instruments of Podium would have had to issue to the owners of County to effect the transaction. The difference between the net assets acquired and the fair value of the consideration granted will be treated as a listing expense.

Operating profit

For the three and nine months ended September 30, 2019 operating profit amounted to $819K and $791K respectively, compared to $526K and $1,294K for the three and nine months ended September 30, 2018, an increase of $293K and a decrease of $502K. The Increase was attributable to the Corporation's decision to focus on indirect agency customers with higher profit margins and lower overhead. The decrease was largely attributable to the one time Issuance expenses related to Podium listing on the TSX-V, which amounted to $1,541K.

Financial expenses

For the three and nine months ended September 30, 2019 financial expenses amounted to $19K and $299K respectively, compared to $0K and $89K for the three and nine months ended September 30, 2018. This increase was largely attributable to a change in accounting policy for warrant derivative of $126K and foreign exchange differences.

Taxes on income

The effective Israeli tax rate, which is the primary tax rate of the Corporation for the three and nine months ended September 30, 2019 and 2018 was 12%.

For the three and nine months ended September 30, 2019 taxes on income amounted to $202K and $165K respectively, compared to $51K and $278K for the three and nine months ended September 30, 2018 an increase of $151K and a decrease of $113K. The increase was largely attributable to the increase in profit before taxes on income to $800K for the three months ended September 30, 2019 compared to $565K for the three months ended September 2019. The decrease in taxes on income for the nine months ended September 30, 2019, was largely attributable to the decrease in profit before taxes on income to $493K compared to $1,219K for the nine months ended September 30, 2018.

Non-IFRS Financial Measures

This MD&A includes certain measures which have not been prepared in accordance with IFRS such as Adjusted EBITDA.

Adjusted EBITDA does not measure 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. Adjusted EBITDA does not have a standardized meaning prescribed by IFRS and is not necessarily comparable to similar measures presented by other companies.

Adjusted EBITDA for the three and nine months ended September 30, 2019 and 2018

"Adjusted EBITDA" refers to net income (loss) before after adjusting for interest expense, income tax expense (recovery), foreign exchange (gain) loss, depreciation and amortization, share-based compensation expense, transaction costs, adjustments to acquisition related contingent consideration, loss on disposal of assets, impairment of intangible assets, and other non-recurring one-time items. We believe that adjusted EBITDA is useful supplemental information as it provides an indication of the results generated by our main business activities prior to taking into consideration how those activities are financed and taxed and also prior to taking into consideration depreciation of property and equipment and the other items listed below. It is a key measure used by our management and board of directors to understand and evaluate our operating performance, to prepare our annual budget, and to develop our operating plans.

Management believes that these non-IFRS financial measures reflect our ongoing business in a manner that allows for meaningful comparisons and analysis of trends in our business, as they exclude expenses and gains that are not reflective of our ongoing operating results. Management also believes that these non-IFRS financial measures provide useful information to investors in understanding and evaluating our operating results and future prospects in the same manner as management and in comparing financial results across accounting periods and to those of peer companies.

The non-IFRS financial measures do not replace the presentation of our IFRS financial results and should only be used as a supplement to, not as a substitute for, our financial results presented in accordance with IFRS.

The non-IFRS adjustments, and the basis for excluding them from non- IFRS financial measures, are outlined below:

- Amortization of internally generated capitalized development costs - We are required to amortize the intangible assets, included in our IFRS financial statements, related to internally generated capitalized development costs. The amortization of internally generated capitalized development costs are non-cash charges. We believe that such changes do not reflect our operational performance. Therefore, we exclude amortization of internally generated capitalized development costs to provide investors with a consistent basis for comparing pre- and post-transaction operating results.

- Issuance expenses - This adjustment is for the one time accumulated Issuance expenses related to Podium's reverse takeover efforts and listing on the TSX-V, which amounted to $1,541K and were recognized in the three months ended September 30, 2019. Management believes that such changes do not reflect our operational performance. Therefore, we exclude the Issuance expenses to provide investors with a consistent basis for comparing pre- and post-transaction operating results.

- Share based payments - this adjustment is for share based awards granted to certain individuals. They are non-cash and affected by our historical stock prices which are irrelevant to forward-looking analyses and are not necessarily linked to our operational performance.

- Relocation expenses – This adjustment is for the one time accumulated expenses related to the Corporation's launch of the Toronto office including one time consultant's fee, travel and immigration overhead. Management believes that such changes do not reflect our operational performance. Therefore, we exclude the Toronto Office Launch expenses to provide investors with a consistent basis for comparing pre- and post-transaction operating results.

The following table presents the adjusted EBITDA for the three and nine months ended September 30, 2019 and 2018 ($ in thousands):

	Nine months ended September 30, 2019	Three months ended September 30, 2019	Nine months ended September 30, 2018	Three months ended September 30, 2018
	($ in thousands)			
Operating profit	**792**	**819**	**1,294**	**526**
Depreciation and amortization	296 (*)	85 (*)	170	65
Issuance expenses	1,541	-	-	-
Share-based payments	161	106	374	225
Relocation expenses	152	97	-	-
Total Adjustments	**2,150**	**288**	**544**	**290**
Adjusted EBITDA	**2,942**	**1,107**	**1,838**	**816**

(*) Including the impact of IFRS 16.

MATERIAL TRANSACTIONS

Reverse Take-Over of County Capital One Ltd.

On March 12, 2019, Podium entered into a letter of intent with County Capital One Ltd. ("**County**"), a capital pool company, for a transaction that will result in a reverse take-over of County by the security holders of Podium. On April 18, 2019, Podium, the shareholder of Podium and County entered into a securities exchange agreement (the "**Definitive Agreement**"). The Definitive Agreement provided for the acquisition of all of the outstanding equity interests of Podium by County in a transaction in which the security holders of Podium received securities of County. As a result, County became the sole registered and beneficial owner of all of the outstanding securities of Podium, and Podium became a wholly-owned subsidiary of County.

Pursuant to the Definitive Agreement, among other things: (a) County consolidated its common shares on a 4.5738:1 basis (the "**Consolidation**"); (b) Podium subdivided its ordinary shares, par NIS 0.01 on a 1:4,048.2552 basis, into ordinary shares having a par value of NIS 0.0000024702 (the "**Company Split**"); (c) County acquired all issued and outstanding ordinary shares of Podium (on a post-Company Split basis) in consideration for the issuance of one County common share (on a post-Consolidation basis) for each ordinary share of Podium and all outstanding securities convertible into ordinary shares of Podium were exchanged for an equal number of securities convertible into common shares of County of like tenor and effect (the "**Securities Exchange**"); and (e) County changed its name to "Adcore Inc.".

On May 17, 2019, County announced that it has received conditional approval from the TSX-V for the Transaction.

On May 27, 2019, County announced that it had completed its previously announced acquisition of all of the issued and outstanding securities of Podium, as the "qualifying transaction" of County under Policy 2.4 – Capital Pool Companies of the TSX-V.

Pursuant to the terms of the Definitive Agreement, County acquired all of the issued and outstanding Company common shares by way of a securities exchange (the "**Transaction**") and exchanged all options and warrants of Podium for equivalent options and warrants of County. Following the completion of the Transaction, there were 55,356,253 Common Shares issued and outstanding and, assuming that all of the outstanding options and warrants are exercised into Common Shares, 63,872,104 Common Shares will be issued and outstanding on a fully diluted basis.

On May 29, 2019, County began trading on the TSX-V under the new name "Adcore Inc." with the trading symbol: ADCO.V

Private Placement

Concurrent with the Transaction, Podium completed a private placement of subscription receipts ("**Subscription Receipts**") at a price of CAD$ 0.50 per Subscription Receipt for gross proceeds of CAD$2,558,500 (the "**Private Placement**"). Pursuant to the terms of a Subscription Receipt Agreement entered into upon closing of the Private Placement, each Subscription Receipt automatically converted into one unit of securities of Podium (a "**Unit**") composed of one ordinary share (as constituted after giving effect to the Company Split) and one-half of one warrant (each whole such warrant, a "**Warrant**") immediately before the Securities Exchange. Each whole such Warrant is exercisable into one ordinary share of Podium (as constituted on a post-Company Split basis) at a price of CAD$ 0.75 for a period of 24 months following issuance.

WD Capital Markets Inc. was engaged as Agent on the Private Placement on a best-efforts basis (the "**Agent**"). Podium paid the Agent a cash commission equal to 7% of the gross proceeds of the Private Placement and issued to the Agent warrants ("**Broker Warrants**") entitling the Agent to acquire the number of Units that is equal to 7% of the number of Subscription Receipts sold under the Private Placement at $0.50 per Unit. Additionally, Podium and County agreed to pay a corporate finance fee of $25,000 to the Agent, and Podium paid the Agent's reasonable expenses, including legal fees.

Pursuant to the Transaction, ordinary shares of Podium, Warrants, and Broker Warrants issued in connection with the Private Placement were exchanged for common shares of County (as constituted on a post-Consolidation basis), warrants and broker warrants of County, on a 1:1 basis.

LIQUIDITY AND CAPITAL RESOURCES

Our financial statements have been prepared in accordance with IFRS on the assumption that the Corporation is a going concern and will continue in operation for the foreseeable future. Hence, it is assumed that the Corporation has neither the intention nor the need to liquidate and is able to realize its assets and discharge its liabilities and commitments in the normal course of business. Podium has experienced profits since inception. In addition, management has determined that additional financing may be required to support operating and investing activities for the foreseeable future as the Corporation continues to expand its operations.

The Corporation believes it has sufficient cash resources to meet its current growth and development objectives. Although the Corporation has relied on revenue generated through its business, external funding may be required to continue growing the existing business and scaling operations. There can be no assurance that adequate funding will be available in the future, or under terms that are favorable to the Corporation.

The Corporation's revenues and operating results may fluctuate from quarter to quarter and from year to year due to a combination of factors, including, but not limited to: access to funds for working capital, the number of securities sold pursuant to any financings and market acceptance of its services.

As at September 30, 2019 cash and cash equivalents & working capital amounted to $2,903K and $3,339K respectively, compared to $990K and ($126K), respectively, at the year ended December 31, 2018. The increase in working capital was largely attributable to the increase in cash and cash equivalents, which as at September 30, 2019 amounted to $2,903K compared to $990K at the prior year end date. This increase was largely attributable to the issuance of shares.

For the nine months ended September 30, 2019, Net cash provided by in operating activities amounted to $223K compared to $585K for the nine months ended September 30, 2018. The change was largely attributable to the increase in trade accounts payable for the nine months ended September 30, 2019 compared to the nine months ended September 30, 2018 to $(1,533K) from ($382K), respectively.

For the nine months ended September 30, 2019, Net cash provided (used in) investing activities amounted to $66K compared to ($424K) for the nine months ended September 30, 2018.

For the nine months ended September 30, 2019, Net cash provided (used in) financing activities amounted to $1,624K compared to ($235K) for the nine months ended September 30, 2018. The increase was largely attributable to the Issuance of shares and warrants, net and to the reverse take-over which amounted to $1,903K and $937K respectively, net of the $1,101K dividend paid.

Common Shares
As of September 30, 2019, the Corporation has 55,356,253 common shares ("**Common Shares**") issued and outstanding.

Incentive Stock Options

The Corporation has a stock option plan (the "**Plan**"), which is intended to provide an incentive to retain, in the employ of the Corporation, persons of training, experience, and ability, to attract new employees, officers, directors, consultants and service providers, to encourage the sense of proprietorship of such persons, and to stimulate the active interest of such persons in the development and financial success of the Corporation by providing them with opportunities to purchase ordinary shares of the Corporation pursuant to the Plan.

The following table reflects the activity with respect to options of the Corporation for the nine months ended September 30, 2019 compared to the nine months ended September 30, 2018

	Nine months period ended September 30, 2019		Nine months period ended September 30, 2018	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Balance outstanding	550,000	CAD 0.46	9,517,448	CAD 0.0587
Conversion upon Transaction	4,760,748	CAD 0.12		
Granted	2,408,333	CAD 0.50	-	N/A
Forfeited or canceled	110,000	CAD 0.50	-	N/A
Exercised	0	N/A	-	N/A
Outstanding options	**7,609,081**	**CAD 0.26**	9,517,448	CAD 0.0587

During the three and nine months ended September 30, 2019, the Corporation recorded expenses in the amount of $106K and $161K, respectively.

Warrants

For the three and nine months ended September 30, 2019, resulting from the Transaction, the Corporation issued 3,205,103 warrants.

CONTRACTUAL OBLIGATIONS

As at September 30, 2019 the Corporation had no debt guarantees, , off-balance sheet arrangements or long-term obligations.

TRANSACTIONS WITH RELATED PARTIES

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 or operational decisions, or if both parties are controlled by the same third party. The Corporation has transactions with key management personal.

The following transactions arose with related parties:

	For the nine months period ended September 30, 2019	For the three months period ended September 30, 2019	For the nine months period ended September 30, 2018	For the three months period ended September 30, 2018
	Unaudited		Unaudited	
Management fee to CEO and controlling shareholder	140	88	44	14

Liabilities to related parties:

Balance	As of September 30, 2019	As of December 31, 2018
Controlling shareholder	95	1,965

In January 2018, Podium signed a new management agreement with Podium's CEO according to the agreement and subject to successful completion of the transaction with the TSX-V until Q2 2019, Podium shall pay the CEO management fee of $28 on monthly basis.

RISKS AND UNCERTAINTIES

The Corporation's business is subject to numerous risks and uncertainties, including those described elsewhere in this MD&A, as well as general economic and market risks. The following discussion describes material risks and uncertainties that the Corporation has identified that may affect the Corporation's results of operations and financial condition.

Risks Related to the Business

The Corporation's commercial and financial success depends on the success of its current commercial products, ADCORE VIEWS, SEMDOC² and Feeditor.

The Corporation's future success depends upon building and expanding its commercial international operations in Canada, the United States, Australia, and other international markets, as well as entering additional markets to commercialize all of its products and technologies. If the Corporation fails to expand the use of its technologies in a timely manner and penetrate the available markets which the products are intended to serve, the Corporation may not be able to expand its markets and grow revenue, the value of the Corporation may decline and investors may lose money.

Unanticipated delays or problems associated with the Corporation's products and improvements may cause customer dissatisfaction.

The Corporation's future success is dependent on its ability to continue to develop and expand its products and technologies and to address the needs of its customers. There may be delays in releasing new the Corporation products or technologies in the future – any material delays may cause customers to forego purchases of the Corporation's products to purchase competitors' offerings instead.

The Corporation may need to develop new products and services and rapid technological change could render its systems obsolete.

The industry in which the Corporation operates is characterized by rapid technological change, frequent new product and service introductions and enhancements, uncertain product life cycles, changes in customer requirements, and evolving industry standards. The introduction of new products and new technologies, the emergence of new industry standards, or improvements to existing technologies could render the Corporation's platform obsolete or relatively less competitive.

The Corporation's commercial and financial success depends on market acceptance, and if not achieved will result in the Corporation not being able to generate revenue to support its operations.

The commercial success of the Corporation depends, among other things, on market acceptance. The success of the Corporation's products and any new products and services that it may launch is dependent upon its ability to attract and retain a critical mass of merchants in potentially diverse geographic locations. The sales cycle for a new merchant can be lengthy. Merchants may not be willing to invest the time and resources necessary to achieve the necessary education and integration required to successfully deploy the Corporation technology. Competitive pricing and market acceptance also depends on the future pricing and availability of competing products and the perceived comparative efficacy of its products. If the Corporation cannot reach this market, or cannot offer competitive pricing packages, its operating results and revenues will be adversely affected.

A substantial majority of the Corporation's revenue depends on search and shopping advertising.

The Corporation's customers have historically used its ADCORE VIEWS Platform for search and shopping advertising, and a significant amount of the Corporation's revenue is derived from users of the platform. Moreover, with Google representing over 92% of worldwide search engine market share, a significant amount of the Corporation's revenue depends in fact on Google and its performance as a search engine**.** The Corporation expects that the online advertising channels it supports will continue to be a primary channel used by its customers. Should customers lose confidence in the value or effectiveness of these channels, the demand for the ADCORE VIEWS platform may decline. While revenues from social and video advertising have grown rapidly, if the Corporation fails to gain market traction for its ADCORE VIEWS platform for social and video advertising would harm its growth prospects, operating results and financial condition.

A substantial majority of the Corporation's revenue depends on major customers.

A significant amount of the Corporation's revenue is derived from three major customers, which constituted 74% of the Corporation's revenue for the nine months ended September 30, 2019. The Corporation expects that the working relationship with these three customers will continue to be profitable to all parties. Should any of these three customers lose confidence in the value or effectiveness of the Corporation's technology or services, this working relationship could end and the Corporation's revenue would significantly decline.

A substantial amount of the Corporation's revenue depends on strategic partnerships with Search Engine Companies.

A significant amount of the Corporation's revenue is derived from its strategic partnerships with leading search engines. The Corporation expects that these strategic partnerships will continue to be profitable to all parties. Any change to or termination of these partnerships or their commercial terms could have a material effect on the Corporation's revenues, which could significantly decline as a result of such change or termination.

The Corporation may require additional capital to support its operations or the growth of its business, and it cannot be certain that this capital will be available on reasonable terms when required, or at all.

From time to time, the Corporation may need additional financing to operate or grow its business. The ability to continue as a going concern may be dependent upon raising additional capital from time-to-time to fund operations. the Corporation's ability to obtain additional financing, if and when required, will depend on investor and lender willingness, its operating performance, the condition of the capital markets and other facts, and the Corporation cannot assure anyone that additional financing will be available to it on favorable terms when required, or at all. If the Corporation raises additional funds through the issuance of equity, equity-linked or debt securities, those securities may have rights, preferences or privileges senior to the rights of its current stock, and its existing stockholders may experience dilution. If the Corporation is unable to obtain adequate financing or financing on terms satisfactory to it when it requires it, its ability to continue to support the operation or growth of its business could be significantly impaired and its operating results may be harmed.

The Corporation's growth strategy may not achieve the anticipated results.

The Corporation's future success will depend on its ability to grow its business, including through commercialization of its products. Growth and innovation strategies require significant commitments of management resources and capital investments and the Corporation may not grow its revenues at the rate it expects or at all. As a result, the Corporation may not be able to recover the costs incurred in developing new projects and initiatives or to realize their intended or projected benefits, which could materially adversely affect its business, financial condition or results of operations.

The Corporation faces substantial competition in the future and may not be able to keep pace with the rapid technological changes which may result from others discovering, developing or commercializing products before or more successfully than the Corporation. The activities of competing companies, or others, may limit the Corporation's revenues.

In general the development and commercialization of new SaaS products is highly competitive and is characterized by extensive research and development and rapid technological change. Market share can shift as a result of technological innovation and other business factors. Commercial opportunities for the Corporation's products may be reduced if the Corporation's competitors develop or market products or novel technologies that are more effective, are better tolerated, are more accepted by the market, have better distribution channels, or are less costly than that offered by the Corporation. If those products gain market acceptance, the Corporation's revenue and financial results could be adversely affected. If the Corporation fails to develop new products or enhance existing products, its leadership in the current markets served could erode, and its business, financial condition and results of operations may be adversely affected.

While the Corporation's products are unique and novel technologies, there are a number of indirect competitors in the market. Such competitors include large and small companies that may have significant access to capital resources, competitive product pipelines, substantial research and development staffs and facilities, and substantial experience in the market. The Corporation recognizes the need to invest in research and development to continue to add high-value, differentiated capabilities to expand both the depth and breadth of the Corporation's product offering. Management also recognizes the need to ensure customer satisfaction through all phases of the sales cycle and intends to invest in competitive intelligence and analysis as it relates to the dynamics of the market, as well as in trends in technology and in products as they are introduced into the market. However, the Corporation may not be able to compete with competitors that are more established in the market.

The Corporation depends on highly skilled personnel to grow and operate its business. If the Corporation is not able to hire, retain, and motivate its key personnel, its business may be adversely affected.

The Corporation's success depends in part upon a number of key employees, including members of senior management who have extensive experience in the industry. Competition for talented senior management is intense and the Corporation's ability to successfully develop and maintain a competitive market position will depend in part on its ability to attract and retain highly qualified and experienced management. The loss of the services of key personnel could have a materially adverse effect on the Corporation's business.

Internal control over financial reporting may not prevent or detect misstatements, and projections of any evaluation of effectiveness to future periods may be subject to changes in conditions or deterioration in compliance with procedures.

The Corporation has a limited administrative staff, meaning internal controls which rely on segregation of duties in many cases are not possible. The Corporation does not have the resources, size and scale to hire additional staff to address this potential weakness at this time. To help mitigate the impact of this, the Corporation relies on the performance of compensating procedures and senior management's review and approval.

As a venture issuer, the Corporation will not be required to certify the design and evaluation of its disclosure controls and procedure ("**DC&P**") and internal controls over financial reporting ("**ICFR**"), and as such the Corporation has not completed such an evaluation. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in National Instrument 52-109 Certification of Disclosure In Issuers' Annual and Interim Filings may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Israeli preferred technological plant status and related benefits could change.

In January 1, 2017 a new section was issued to the Israeli Investments Law relating to preferred technological income. The section is applicable to industrial companies, including Podium that apply further preferred enterprise criteria. Accordingly, Podium is entitled to the benefit and therefore is subjected to a corporate tax rate of 12%. Investors should be aware that changes in the preferred enterprise criteria could result in Podium being re-classified as a non-preferred technological plant, which would result in a higher percentage of corporate tax being applied to Podium (23% for the years ended December 31, 2019 and 2018).

Israeli corporate tax rates are subject to regulatory change.

The Israeli corporate tax rate was 23% for the year ended December 31, 2018 and will be 23% in 2019. This tax rate could be changed by government decisions and tax regulations, which could have a material effect on the Corporation's revenues. These changes could be relevant to the Corporation in the case Podium would be re-classified as a non-preferred technological plant which would result in the regular Israeli corporate tax rate being applied to Podium.

Limitation of statute on Podium's tax reports for the years ended December 31, 2019 and 2018

The general limitation of statute on tax reports in Israel is four years, and therefore Podium's tax reports for the years ended December 31, 2019 and 2018 could still be assessed by the Israeli Tax Authority, which could result in, among other things, determining that Podium is not a preferred technological plant and by such is subject to a higher percentage of corporate tax (23% for the year ended December 31, 2018 and 23% in 2019).

If the Corporation fails to develop widespread brand awareness cost-effectively, its business may suffer.

The Corporation believes that developing and maintaining widespread awareness of its brand in a cost-effective manner is critical to achieving widespread acceptance of its products. The Corporation's marketing efforts are directed at growing brand awareness. Brand promotion activities, although they have been successful in the past, may not generate customer awareness or increase revenues, and even if they do, any increase in revenues may not offset the expenses incurred in brand building. If the Corporation fails to successfully promote and maintain its brand, or incur substantial expenses in doing so, the Corporation may fail to attract or retain customers necessary to realize a sufficient return on its brand building efforts, or to achieve the widespread brand awareness that is critical for broad adoption of its products.

Possible failure to realize anticipated benefits of future acquisitions could impact the Corporation's business.

The Corporation may in the future complete acquisitions to strengthen its position in the point-of sale industry and to create the opportunity to realize certain benefits including, among other things, potential cost savings. Achieving the benefits of any future acquisitions depends, in part, on successfully consolidating functions and integrating operations, procedures and personnel in a timely and efficient manner, as well as the Corporation's ability to realize the anticipated growth opportunities and synergies from combining the acquired businesses and operations with its own. The integration of acquired businesses requires the dedication of substantial management effort, time and resources which may divert management's focus and resources from other strategic opportunities and from operational matters during this process. The integration process may result in the loss of key employees and the disruption of ongoing business, customer and employee relationships that may adversely affect the Corporation's ability to achieve the anticipated benefits of these and future acquisitions.

There is intense competition in the SaaS and search engine marketing and advertising industry.

The SaaS advertising technology industry is highly competitive and rapidly changing. The Corporation may be significantly affected by new product introductions and geographic expansion by existing competition and expects that competition will intensify in the future. Specific factors upon which the Corporation competes include, but are not limited to, functionality of its applications, ease of use, timing for implementation, quality of support and services, and price. The Corporation's potential competitors include other companies selling SaaS services and technology in the search engine marketing and advertising space. Many of these potential competitors have significantly greater financial, technical, marketing and other resources than the Corporation has. Many of them also have longer operating histories, greater name recognition and stronger relationships with merchants and consumers who use or might use a low-value-payment service. The Corporation may not be able to compete successfully with these competitors.

There is inherent technology and development risk in the Corporation's business and industry.

The Corporation approach utilizes technology principally architected and developed by the Corporation. There can be no assurances that the Corporation will meet its targeted development or integration timelines such that it will be able to offer solutions at competitive pricing, or that the Corporation can continue to enhance and improve the responsiveness, functionality and features of its technology and enable the solutions to scale at a reasonable cost. In addition, there is a risk that third parties may have applied for or been granted patents for certain processes or technology which the Corporation has already deployed or intends to deploy, in which case the Corporation may incur additional costs or be prohibited from using or implementing certain product features or processes in one or more countries. The Corporation solutions incorporate complex technology and software. Accordingly, they may contain errors, or "bugs", that could be detected at any point. Such errors could materially and adversely affect the Corporation's reputation, resulting in claims and/or significant costs to the Corporation, and/or cause consumers, merchants, licensees and other parties to abandon the Corporation's solutions and impair the Corporation's ability to market and sell solutions and services in the future. The costs incurred in correcting any errors and satisfying any such claims may be substantial and could adversely affect the Corporation's operating margins. While the Corporation plans to continually test its solutions for errors and work with customers and merchants through its maintenance support services to identify and correct bugs, errors may be found in the future.

The Corporation maintains data on cloud storage servers, which could be the target of a security breach.

The Corporation's business faces certain security risks. The Corporation's products and services involve storage using cloud-based hosting service and also physical storage. Although data is stored in specialized security groups and are externally encrypted, storage hardware and networking infrastructure is provided by a third party, and security breaches and cyberattacks expose it to a risk of loss of this information, litigation and potential liability. If an actual or perceived breach of security and/or cyberattack occurs, the market perception of the effectiveness of the Corporation's security measures could be harmed, the Corporation could lose users and it may incur significant legal and financial exposure, including legal claims and regulatory fines and penalties. Computer viruses, break-ins, cyberattacks or other security problems could lead to misappropriation of proprietary information and interruptions, delays, or cessation in service to clients. Any failure to adequately address these risks could have an adverse effect on the business and reputation of the Corporation.

There could be interruptions or delays from cloud servers that could affect the Corporation's products or services.

The Corporation's products and services involve storage using a third-party cloud-based hosting service. Any damage to, or failure of, the hosting service's systems generally could result in interruptions in the use of the

Corporation's products or services. Such interruptions may reduce our revenue, cause customers to terminate their subscriptions and adversely our ability to attract new customers. The Corporation's business will also be harmed if its customers and potential customers believe its products or services are unreliable.

Risks Related to Worldwide Economic Conditions

Currency exchange rates fluctuations could adversely affect the Corporation's operating results.

The Corporation is exposed to the effects of fluctuations in currency exchange rates. Since the Corporation conducts some of its business in currencies other than US dollars but reports its operating results in US dollars, it faces exposure to fluctuations in currency exchange rates. Consequently, exchange rate fluctuations between the US dollar and other currencies could have a material impact on the Corporation's operating results.

Downturns in general economic and market conditions may reduce demand for the Corporation's products and could negatively affect the Corporation's revenue, operating results and cash flow.

Recent events in the financial markets have demonstrated that businesses and industries throughout the world are very tightly connected to each other. Thus, financial developments seemingly unrelated to the Corporation or to the Corporation's industry could materially adversely affect the Corporation over the course of time. Volatility in the market could hurt the Corporation's ability to raise capital. Potential price inflation caused by an excess of liquidity in countries where the Corporation conducts business may increase the costs incurred to sell the Corporation's products and may reduce the Corporation's profit margins. As a result of downturns in general economic and market conditions, potential customers may not be interested in purchasing the Corporation's products. Any of these events, or other events caused by turmoil in world financial markets may have a material adverse effect on the Corporation's business, operating results and financial conditions.

The Corporation has its core operations in an emerging market, which carries potential risks to its business.

Emerging market investment generally poses a greater degree of risk than investment in more mature market economies because the economies in the developing world are more susceptible to destabilization resulting from domestic and international developments.

The of the Corporation's HQ is located in Israel, which has a history of military instability. While there is no current instability, this is subject to change in the future and could adversely affect the Corporation's business, financial condition and results of operations.

In particular, fluctuations in the Israeli economy and actions adopted by the government of Israel may have a significant impact on companies operating in Israel, including the Corporation. Specifically, the Corporation may be affected by inflation, foreign currency fluctuations, regulatory policies, business, and tax regulations and in general, by the political, social and economic scenarios in Israel and in other countries that may affect Israel.

Catastrophic events and economic, political and market conditions may impact the Corporation's business.

In order to deliver advertising campaigns for its customers, the Corporation maintains servers at co-location facilities in Canada and Israel. Any of its existing and future facilities may be harmed or rendered inoperable by attack or security intrusion by a computer hacker, natural or man-made disasters, including earthquakes, tornadoes, hurricanes, wildfires, floods, nuclear disasters, war, acts of terrorism or other criminal activities, infectious disease outbreaks and power outages, any of which may render it difficult or impossible for the Corporation to operate its business for some period of time. If the Corporation were to lose the data stored in its co-location facilities, it could take days or weeks to recover data from multiple sources, and such delay could result in significant negative impact on its business operations, and potential damage to its advertiser and advertising agency relationships. Any disruptions in the Corporation's operations could negatively impact its business and results of operations, and harm its reputation. In addition, the Corporation may not carry sufficient business interruption insurance to compensate for the losses that may occur. Any such losses or damages could have a material adverse effect on the Corporation's business, financial condition and results of operations.

Government regulation could adversely affect the Corporation's business.

Government regulation may increase the costs of doing business online. Certain legislation has been enacted or is under consideration relating to online advertising and the Corporation's management team expects further legislation and regulation related to advertising online, the use of geo-location data to inform advertising, the collection and use of anonymous internet user data and unique device identifiers, such as IP address or mobile unique device identifiers, and other data protection and privacy regulation. Such legislation could affect the costs of doing business online, and may adversely affect the demand for the Corporation's offerings or otherwise harm its business, results of operations and financial condition. For example, new laws and regulations in key markets of the Corporation's business could impact the Corporation's ability to collect, use, retain, protect, disclose, transfer and otherwise process personal information. The *EU General Data Protection Regulation (GDPR),* The *Personal Information Protection and Electronic Documents Act* and substantially similar provincial privacy laws in Canada provide that IP addresses are personal information. While the Corporation takes certain measures to protect the security of information that it collects, uses and discloses in the operation of its business, a data breach would create exposure to potential for claims for damages by consumers whose personal information has been disclosed without authorization. Evolving and changing definitions of personal information in the jurisdictions in which we offer our products and technologies, especially relating to classification of machine or device identifiers, location data and other information, have in the past, and may in the future, cause the Corporation to change business practices, or limit or inhibit the Corporation's ability to operate or expand its business. Data protection and privacy-related laws and regulations are evolving and may result in ever-increasing regulatory and public scrutiny and escalating levels of enforcement and sanctions. While the Corporation takes measures to protect the security of information that it collects, uses and discloses in the operation of its business, and to offer certain privacy protections with respect to such information, such measures may not always be effective.

In addition, while the Corporation actively attempts to avoid collecting identifiable data about consumers, it may inadvertently receive this information from advertisers or advertising agencies or through the process of delivering advertising and may inadvertently release this information in contravention of applicable privacy legislation. The Corporation's failure to comply with applicable laws and regulations, or to protect personal information, could result in enforcement action against the Corporation, including fines, imprisonment of its officers and public censure, claims for damages by consumers and other affected individuals, damage to the Corporation's reputation and loss of goodwill, any of which could have a material adverse impact on operations, financial performance and business. Even without a specific data breach, the perception of privacy concerns, whether or not valid, may harm the Corporation's reputation and inhibit adoption of its offerings by current and future advertisers and advertising agencies.

Conditions in Israel may affect the Corporation's business, results of operations and financial condition.

The Corporation's core operations are in Tel Aviv, Israel. Since the establishment of the State of Israel in 1948, a number of armed conflicts have taken place between Israel and its neighboring countries. As a result, the Corporation is vulnerable to the political, economic, legal, regulatory and military conditions affecting Israel and the Middle East. Armed conflicts between Israel and its neighbouring countries and territories occur periodically and a protracted state of hostility has, in the past, resulted in security and economic difficulties for Israel. Any such hostilities or escalation thereof, armed conflicts or violence in the region could adversely affect the Corporation's business, results of operations and financial condition. To date, such conflicts have not had a material effect on business, results of operations or financial condition. In addition, the Corporation may be adversely affected by other events or factors affecting Israel such as the interruption or curtailment of trade between Israel and its trading partners, a significant downturn in the economic or financial condition of Israel, a significant downgrading of Israel's internal credit rating, labour disputes and political instability, including riots and uprisings.

Furthermore, there are a number of countries, primarily in the Middle East, as well as some Muslim countries, including Malaysia and Indonesia that restrict business with Israel or Israeli companies. There may also be certain countries or businesses that may exert pressure on the Corporation's partners, customers or others not to do business with Israel or Israeli companies. Restrictive laws or policies directed towards Israel or Israeli businesses could have a material adverse effect on the Corporation's business, results of operations and financial condition.

Generally, under Israeli law, citizens and permanent residents of Israel are obligated to perform military reserve duty for extended periods of time through the age of 45 (or older for citizens with certain occupations) and are subject to being called to active duty at any time under emergency circumstances. In response to increased hostilities, there have been periods of significant call-ups of military reservists. It is possible that there will be additional call-ups in the future, which may include officers and key personnel of the Corporation, which could disrupt business operations for a significant period of time.

The Corporation must hold various approvals authorizing its activities in Israel. In order for the Corporation to carry on business operations in Israel, it must: (i) be registered with the Registrar of Companies; (ii) be registered with the Israel Tax Authorities; and (iii) hold a business license which is issued by the local municipality in which the business operates. Furthermore, in order to carry on operations in accordance with the International Organization for Standardization ("**ISO**") standards, the Corporation is also required to hold ISO certificates. Although the Corporation believes that all such required registrations, certificates and licenses are in good standing as of the date of this MD&A, if renewals or new permits, business licenses, or approvals are required in connection with the Corporation's activities and are not granted or are delayed, or if existing permits, business licenses or approvals are revoked or substantially modified, the Corporation may suffer a material adverse effect. If new standards are applied to renewals or new applications, it could prove costly to the Corporation to meet any new level of compliance.

Risks Related to Intellectual Property

The Corporation's intellectual property rights are valuable, and any inability to protect them could adversely affect its business.

The Corporation's success depends substantially upon the intellectual property that forms the basis of its products, primarily consisting of unpatented proprietary technology, processes, trade secrets, and know-how, as well as inherent copyright of authorship in the source code developed by the Corporation, and unregistered trademarks. To protect its intellectual property rights, the Corporation relies upon trade secret, copyright, trademark, passing-off laws, and other statutory and common law protections in Israel, the United States, and international markets. The Corporation also protects its intellectual property through the use of non-disclosure agreements and other contracts, disclosure and invention assignment agreements, confidentiality procedures, and technical measures. There can be no assurance that these measures will be successful in any given case, particularly in those countries where the laws do not afford the Corporation protection for its intellectual property rights as robust as those available under Israeli, Canadian, and United States laws. The Corporation may be unable to prevent the misappropriation, infringement or violation of its intellectual property rights, breaching any contractual obligations, or independently developing intellectual property that is similar to its own, any of which could reduce or eliminate the Corporation's competitive advantages, adversely affect the Corporation's revenues, or otherwise harm its business.

Assertions by third parties of infringement or other violations of the Corporation's intellectual property rights could result in significant costs and substantially harm the Corporation's business and operating results.

Third parties may in the future assert claims of infringement, misappropriation or other violations of intellectual property rights against the Corporation. Any such claim against the Corporation, even those without merit could cause the Corporation to incur substantial costs defending against the claim and could distract its management. An adverse outcome of a dispute may require the Corporation to pay substantial damages, cease making, licensing or using solutions that are alleged to infringe or misappropriate the intellectual property of others, expend additional development resources to attempt to redesign its services or otherwise develop non-infringing technology, which may not be successful, or enter into potentially unfavourable royalty or license agreements in order to obtain the right to use technologies or intellectual property rights.

Intellectual property claims are expensive and time consuming to defend and if resolved adversely, could have a significant impact on the Corporation's business, financial condition, and operating results.

The Corporation is actively engaged in enforcement and other activities to protect its intellectual property rights. If it became necessary to resort to litigation to protect these rights, any proceedings could be burdensome, costly and divert the attention of management, and the Corporation may not prevail. Any repeal or weakening of intellectual property laws or diminishment of procedures available for the enforcement of intellectual property rights in Israel, Canada, the United States, or internationally could make it more difficult for the Corporation to adequately protect its intellectual property rights, negatively impacting their value and increasing the cost of enforcing its rights.

If the Corporation is unable to protect the confidentiality of its proprietary information and know-how, the value of its technology and products could be adversely affected.

The Corporation relies upon unpatented proprietary technology, processes, trade secrets and know-how. Any disclosure to or misappropriation by third-parties of its confidential or proprietary information could enable the Corporation's competitors to duplicate or surpass the Corporation's technological achievements, potentially eroding its competitive position in the market, and negatively impacting the Corporation's business and operating results.

The Corporation protects its confidential and proprietary information in part through non-disclosure agreements and other contracts, disclosure and invention assignment agreements, with all employees, consultants, advisors and any third-parties, who have access to its confidential and proprietary information, and employs confidentiality procedures and technical measures, there can be no certainty that these measures or procedures will be sufficient to prevent improper disclosure of such confidential and proprietary information, or to prevent it from falling into the hands of the Corporation's competitors and other third parties. There can be no certainty that parties to contracts used by the Corporation to protect its confidential and proprietary information will not be terminated or breached, and the Corporation may not have adequate remedies for any such termination or breach. Legal remedies may be insufficient or ineffective to meaningfully protect the Corporation's confidential and proprietary information or compensate the Corporation for losses that may occur in the event of unauthorized use or disclosure.

Adverse litigation judgments or settlements resulting from legal proceedings in the normal course of business could reduce the Corporation's profits or limit its ability to operate.

The Corporation is subject to allegations, claims and legal actions arising in the ordinary course of its business, which may include claims by third parties, including employees or regulators. The outcome of many of these proceedings cannot be predicted. If any of these proceedings were to be determined adversely to us, a judgment, a fine or a settlement involving a payment of a material sum of money were to occur, or injunctive relief were issued against the Corporation, its business, financial condition and results of operations could be materially adversely affected.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The areas requiring the use of estimates and critical judgments that may potentially have a significant impact on the Corporation's earnings and financial position are the recognition and amortization of development costs and the useful life of property and equipment and income tax.

Revenue from Contracts with Customers IFRS-Principal versus Agent Considerations

For revenue from direct advertiser customers, management's judgement is applied regarding the determination of whether the Corporation is a principal or agent to the transactions. In making, this judgement, management places significant weight on the fact: (1) the Corporation bears credit risks related to the media buying, (2) the Corporation has full and sole control of the Cost per Click or Cost per Impression of the media buying prices, including the campaigns, accounts and media channels' budget allocation. (3) The Corporation has the power to use its own advertising technologies and expertise in order to manipulate the media buying process, which is critical to the fulfillment of the customer deliverables. And (4) the Corporation holds full responsibility towards its clients with regards to the campaigns management and fulfillment.

The Corporation considered to the extent of Reporting Revenue "Gross versus Net" that it applies to the Corporation's revenue arrangements and concluded that the Corporation acts as the principal in these arrangements and therefore reports revenue earned and costs incurred related to these transactions on a gross basis

Taxes on income

The Corporation recognized tax- related assets and liabilities based on the Corporation's current understanding of tax laws as applied to the Corporation's circumstances. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Amortization of capitalized development costs and the useful life of property and equipment

Intangible assets and property and equipment are amortized or depreciated over their useful lives. Useful lives are based on management's estimates of the period that the assets will generate revenue, which are periodically reviewed for continued appropriateness. Changes to estimates can result in significant variations in the amounts charged to the statement of comprehensive income in specific periods.

OUTSTANDING SHARE DATA

As of November 25, 2019, 55,356,253 Common Shares were issued and outstanding. In addition, as of November 25, 2019, there were 7,569,081 stock options outstanding with exercise prices ranging from CAD$0.1238 to CAD$0.50 per share.

As at November 25, 2019, there were 3,205,103 warrants outstanding, each of which represents the right to acquire one Common Share, with exercise prices ranging from CAD$0.50 to CAD$0.75 per share.

ADDITIONAL INFORMATION

Additional information relating to the Corporation, including its annual information form for the financial year ended December 31, 2018, is posted on SEDAR at www.sedar.com.