NowVertical Group Inc.
Management's Discussion and Analysis
For the Three and Six Months Ended June 30, 2021

August 27, 2021

The following management's discussion and analysis ("MD&A") dated August 27, 2021 is intended to assist readers in understanding the business environment, strategies, performance and risk factors of NowVertical Group Inc. (the "Company", "we", "us" or "our"). This MD&A provides the reader with a view and analysis, from the perspective of management, of the Company's results of operations and financial position for the three and six months ended June 30, 2021.

This MD&A should be read in conjunction with the Company's consolidated unaudited interim financial statements for the three and six months ended June 30, 2021 (the "Interim Financial Statements"). For additional context, it is also suggested that this MD&A be read in conjunction with the management discussion and analysis and December 31, 2020 audited financial statements of NowVertical Group, Inc. ("NVG"), Signafire Technologies Inc. ("Signafire") and Seafront Analytics, LLC ("Seafront" and, collectively with the Company, NVG, Signafire and Seafront, the "NowVertical Group"), which management discussion and analysis and audited financial statements were contained in the Company's filing statement (the "Filing Statement") prepared in connection with its business combination with Good2Go Corp. ("G2G") (the "Transaction"), as described herein. As a matter of emphasis, note that the ultimate public entity, NowVertical Group Inc., does not have a comma (",") in its legal name, whereas the US operating company, NowVertical Group, Inc. does have a comma in its legal name.

Basis of Presentation

The Interim Financial Statements and related financial information presented herein have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board.

The Interim Financial Statements represent a continuation of NVG's financial statements that were in existence prior to completion of the Transaction. NVG was formed on September 20, 2020 and, therefore, was not in existence during the three and six months ended June 30, 2020. To facilitate a meaningful analysis of the Company's results for the three and six months ended June 30, 2021 with the comparable three and six months of the prior year, tables of comparative prior year pro forma results have been prepared. The historical unaudited results of operations in the columns herein headed "Signafire" and "Seafront" were derived from each respective entity's books and records. The columns herein headed "Signafire" and "Seafront" are presented solely to facilitate the combination of the prior year's comparable three and six month financial results of operations for the "Proforma Consolidated" column. The amounts in the column herein headed "NowVertical Consolidated" were taken from the Company's Interim Financial Statements and should be read together with the Interim Financial Statements from which those amounts were derived. Management believes this presentation is useful as the "Proforma Consolidated" column depicts a combined full comparative period for Signafire and Seafront, the two operating entities that comprise the Company, for comparison to the NowVertical Consolidated column. See also "Cautionary Note Regarding Non-IFRS Measures" below.

The Interim Financial Statements and this MD&A were approved by the Company's audit committee. The Company presents its financial statements in United States dollars. In this MD&A, all references to "$" or "dollars" are to United States dollars unless otherwise indicated. Due to rounding, certain totals and subtotals may not foot and certain percentages may not reconcile.

Cautionary Note Regarding Forward-Looking Statements

This MD&A contains certain statements that may be deemed "forward-looking statements", including statements relating to the Company's financial position, business strategy, growth strategies, addressable markets, budgets, operations, financial results, taxes, plans and objectives. Particularly, information regarding the Company's expectations of future results, performance, achievements, prospects or opportunities or the markets in which we operate is forward-looking information. All statements in this document, other than statements of historical fact, which address events or developments that the Company expects to occur, are forward-looking statements. Forward-looking statements can generally, but not always, be identified by the words, "believes", "anticipates", "estimates", "plans", "intends", "expects", "indicates", "predicts", "forecast", "target", "goal", "seek", or "likely", or the negative of these terms, or other similar expressions, events or conditions that "will", "would", "may", "could" or "should" occur. Management has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes might affect the Company's financial condition, results of operations, business strategy and financial needs.

All forward-looking statements contained in this MD&A are based on certain assumptions and analyses made in light of management's experience and perception of historical trends, current conditions, expected future developments and other factors management believes are appropriate. Although management believes that the assumptions underlying these statements are reasonable, they may prove to be incorrect. Given these risks, uncertainties and assumptions, readers should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under the "Risk Factors" section of this MD&A, which factors should not be considered exhaustive and should be read together with the other cautionary statements in this MD&A. If any of these risks or uncertainties materialize, or if assumptions underlying the forward-looking statements prove incorrect, actual results might vary materially from those anticipated in those forward- looking statements.

Although management bases these forward-looking statements on assumptions that it believes are reasonable when made, the Company cautions readers that forward-looking statements are not guarantees of future performance and that its actual results of operations, financial condition and liquidity and the development of the industry in which it operates may differ materially from those made in or suggested by the forward-looking statements contained in this MD&A. In addition, even if the Company's results of operations, financial condition and liquidity and the development of the industry in which it operates are consistent with the forward-looking statements contained in this MD&A, those results or developments may not be indicative of results or developments in subsequent periods.

Any forward-looking statement that is made in this MD&A speaks only as of the date of such statement, and the Company undertakes no obligation to update any forward-looking statements or to publicly announce the results of any revisions to any of those statements to reflect future events or developments, except as required by applicable securities laws. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless specifically expressed as such, and should only be viewed as historical data.

Cautionary Note Regarding Non-IFRS Measures

This MD&A makes reference to certain non-IFRS measures. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of the Company's results of operations from management's perspective. The Company's definitions of non-IFRS measures used in this MD&A may not be the same as the definitions for such measures used by other companies in their reporting. Non-IFRS measures have limitations as analytical tools and should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS. The Company uses non-IFRS financial measures including "Adjusted Revenues", "EBITDA" and "Adjusted EBITDA". These non-IFRS measures are used to provide investors with supplemental measures of our operating performance and to eliminate items that have less bearing on our operating performance or operating conditions and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS measures. Specifically, the Company believes that Adjusted Revenues, EBITDA and Adjusted EBITDA, when viewed with the Company's results under IFRS, provide useful information about the Company's business without regard to potential distortions. By eliminating differences in results of operations between periods caused by factors such as acquisition-related adjustments, depreciation and amortization methods, impairment and other charges, the Company believes that Adjusted Revenues, EBITDA and Adjusted EBITDA can provide a useful basis for comparing the current performance of the underlying operations being evaluated. The Company believes that securities analysts, investors and other interested parties frequently use non-IFRS financial measures in the evaluation of issuers. The Company's management also uses non-IFRS financial measures in order to facilitate operating performance comparisons from period to period and to prepare annual budgets and forecasts.

"Adjusted Revenues" eliminate the effects of acquisition accounting on the Company's revenues.

"**EBITDA**" represents net income (loss) before amortization and depreciation expenses, net interest costs, and provision for income taxes.

"**Adjusted EBITDA**" adjusts EBITDA for items such as acquisition accounting adjustments, transaction expenses related to acquisitions, transactional gains or losses on assets, asset impairment charges, operational restructuring costs, non-recurring expense items, non-cash stock compensation costs, restructuring costs, expenses related to the Transaction, and includes the full year impact of cost synergies related to the reduction of employees in relation to acquisitions.

Description of the Business

The Company is an Ontario corporation listed on the TSX Venture Exchange (the "TSXV") under the symbol "NOW". Prior to its name change in connection with the closing of the Transaction, the Company was a capital pool company on the TSXV known as Good2Go Corp.

On March 22, 2021, G2G entered into a business combination agreement with NVG, an entity incorporated in Delaware, USA on September 22, 2020, which contemplated the acquisition by G2G of all the issued and outstanding shares of NVG. The Transaction, which was structured as a "three-cornered" amalgamation and a reverse triangular merger, constituted a reverse takeover of G2G by NVG and the qualifying transaction of G2G under the TSXV's Policy 2.4 – *Capital Pool Companies*. Coinciding with the Transaction's closing on June 28, 2021, G2G changed its (i) name to Now Vertical Group Inc., (ii) symbol on the TSXV to "NOW", and (iii) year-end from February 28 to December 31, to conform with that of NVG. The Company's Subordinate Voting Shares commenced trading on the TSXV on July 5, 2021.

The Company is a data analytics software and services company that is growing its business organically and through acquisition. Management of the Company, with their broad range of expertise, is motivated to grow and scale the Company globally and help private and public sector organizations unlock their potential using best in class analytic methodologies and technology to support this mission.

The Company offers a suite of data analytics software and consulting services. This description covers both Signafire and Seafront products, as well as the Company's recent acquisition of Integra Data and Analytic

Solutions Corp. ("Integra"), and services. The Company's software offering includes data fusion ("DataFusion"), data enrichment, and search and analysis capabilities. The DataFusion engine creates a distributed processing pipeline that is horizontally scalable to meet the demands of varying data volumes, with fault tolerance built in. Data from multiple input data sources are ingested, mapped, and fused to a flexible common data model. Sources can range from relational databases to third party APIs (application programming interfaces) to internal files. This engine enriches textual data through client-specific taxonomies and parsing rules. This core product allows for custom data source ingestion and feature development that integrates with existing front-end visualization tools.

The Company's services are currently focused on manufacturing/OEM (original equipment manufacturer) and servicing government related contracts. Services include but are not limited to: safety analytics services; test and evaluation services; analytic training, focusing on data correlation, convergent/divergent thinking, sourcing, vetting, validation and identifying bias; data contextualization for decision making; analytics consulting; technical training; technical implementations; and third party technical integration and training. Separate from the Company's software offerings, current services of the Company can be categorized by the following three areas:

- Consulting: The Company's advanced analytics team provides global clients with on-site and off-site analytic consultation and support across a range of focus areas.
- Training: The Company provides training tailored to its clients' unique technical and analytic requirements, ensuring they are trained in the proper application of techniques and methodologies against a variety of use cases.
- Test & Evaluation: The Company's deep knowledge of analytic technologies and data allows for detailed evaluations and unbiased recommendations to be provided to both public and private sector clients on solutions that enable them to: (i) implement analytic technologies with the maximum feasibility, usability, and scalability; and (ii) use data to determine its suitability and compliance with organizational standards.

Subsequent Events

Acquisition of Integra and Analytic Solutions Corp.

On August 5, 2021, the Company's subsidiary NowVertical Canada, Inc. acquired all the outstanding securities of Integra, a data analytics software and services company. The purchase price consisted of $150,000 cash to the seller, the assumption of $330,464 of Integra's debt (that was satisfied at closing), the issuance of 555,556 of the Company's Subordinate Voting Shares valued at $450,000 and additional consideration of up to $3,035,000 in earn-out payments, some of which can be taken in Subordinate Voting Shares, assuming certain performance criteria are met.

The acquisition of Integra provides the Company with a strong technology and strategy team with which it will build out its energy and renewables vertical and integrate Integra's proprietary technology, Digital Hub, into the NOW data analytics platform. Integra provides advanced data and analytics services, along with innovative solutions that incorporate machine learning (ML) algorithms and artificial intelligence (AI), to facilitate industry-wide transformation within the energy and renewables sector, which ultimately reduces operating costs, improves productivity, and facilitates global competition.

Proposed Acquisition of DocAuthority Ltd.

On August 24, 2021, the Company entered into a definitive agreement to acquire substantially all of the assets of DocAuthority Ltd., an Israeli-based data governance software-as-a-service (SAAS) platform that helps companies save money and reduce risk by organizing, managing and protecting their data. The purchase price consideration will include (i) an aggregate cash payment of $316,376.48 and (ii) the issuance of 40,000 Subordinate Voting Shares of the Company, priced at CAD$1.26 per share, being the Canadian dollar equivalent of $1.00 per share.

Closing of the acquisition is subject to customary closing conditions, including the receipt of TSXV approval for both the acquisition and issuance of Subordinate Voting Shares of the Company.

DocAuthority was founded in 2013 and has had more than 60 global enterprise customers use the platform to organize and manage their structured and unstructured data assets. DocAuthority users can automatically catalogue their data and documents to define the assets they have, what such data and documents contain, where they reside, and who has access to them, allowing customers to do more with their data.

<u>Discussion of Operations – Three Months Ended June 30, 2021 compared to Three Months Ended June 30, 2020</u>

For purposes of this section, the term "three months 2021" refers to amounts in the "NowVertical Consolidated" column for the three months ended June 30, 2021 and the term "three months 2020" refers to amounts in the "Proforma Consolidated" column for the three months ended June 30, 2020.

	Three months June 30, 2020				Three months ended June 30, 2021
Now Vertical Group Inc.	**Signafire**	**Seafront**	**Now Vertical**	**Proforma Consolidated**	**Now Vertical Consolidated**
			(Did not exist)		
REVENUES	750,000	45,304	-	795,304	804,155
COST OF REVENUES	42,821	-	-	42,821	62,899
GROSS PROFIT	707,179	45,304	-	752,483	741,256
OPERATING EXPENSES:					
General and administrative	162,747	860	-	163,607	5,982,386
INCOME (LOSS) FROM OPERATIONS	544,432	44,444	-	588,876	(5,241,130)
OTHER INCOME (EXPENSE):					
Listing expense	-	-	-	-	(1,011,110)
Interest income	8	-	-	8	-
Interest expense	(196,983)	-	-	(196,983)	(111,707)

Total other income (expense)	(196,975)	-	-	(196,975)	(1,122,817)
INCOME (LOSS) BEFORE INCOME TAXES	347,457	44,444	-	391,901	(6,363,948)
PROVISION (BENEFIT) FOR TAXES	-	-	-	-	(22,487)
NET INCOME (LOSS)	347,457	44,444	-	391,901	(6,341,461)
Interest expense, net				196,975	111,707
Income tax benefit				-	(22,487)
Depreciation and amortization				548	65,563
EBITDA				589,424	(6,186,678)
ADJUSTMENTS:					
Listing expense				-	1,011,110
Non-cash compensation related to stock options				-	450,304
Non-cash compensation related to restricted stock units				-	2,867,724
Expenses incurred in connection with the Transaction				-	1,481,982
Expenses incurred in connection with acquired businesses				-	293,666
ADJUSTED EBITDA				589,424	(81,890)

Revenue increased slightly when comparing the three months 2021 to the three months 2020. The increase was entirely due to Seafront as Signafire's revenues, which were derived from a large automotive customer, were identical in both periods.

Cost of revenues consist primarily of employee compensation performed by product consulting and support and maintenance team members, directly associated with the production of revenue. The increase in the three months 2021 compared to the three months 2020 pertains to additional support required for Seafront's revenue.

General and administrative expenses in both the three months 2021 and the three months 2020 include compensation, compensation-related costs, employee benefits, professional fees, hosting fees, and utilities. In the three months 2021, general and administrative costs also include $3,318,028 of non-cash stock compensation expenses (including $2,852,977 of non-cash stock compensation expenses related to previously granted restricted stock units that vested in connection with the Transaction), $1,434,490 of non-cash expenses related to shares provided the finder in the Transaction, $47,492 of legal fees and other fees associated with the Transaction and $293,666 of expenses related to merger and acquisition activities. These items were not present in the three months 2020. Ignoring these items in the three months 2021 (which amount to $5,093,676), general and administrative expenses amounted to $888,710 in the three months 2021 and the increase compared to $163,607 in the three months 2020 was primarily due to additional personnel in the six months 2021 to manage the business and position the Company to deploy its growth strategy.

“Listing expense” relates to the difference between the value of the consideration issued to G2G’s shareholders in the Transaction and the fair value of G2G’s net assets acquired. There was no comparable item in the prior period.

Interest expense decreased in the three months 2021 compared to the three months 2020, primarily due to the liquidation of Signafire’s lease for office space and a lower outstanding balance of Signafire’s term loan, offset by approximately $30,042 in accrued interest on the convertible debentures issued by NVG in the first quarter of 2021.

Income tax expense (benefit) is recognized at an amount determined by multiplying the profit (loss) before tax for the interim reporting period by management’s best estimate of the weighted-average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognized in full in the interim period. As such, the effective tax rate in the interim financial statements may differ from management’s estimate of the effective tax rate for the annual financial statements.

No income tax provision was recorded in the three months 2020 as Signafire was able to carry-forward its prior operating losses to offset 2020’s taxable income and Seafront is a limited liability company whereby its taxes are borne by its owners. For the three months 2021, the Company recorded an income tax benefit of $22,487 on pre-tax book loss of $6,363,948. The Company’s effective tax rate for the three months 2021 was 0.35%, which differs from the Canadian statutory rate of 26.5%, primarily due to pre-tax losses for which no benefit was recognized as the Company continues to conclude that its deferred tax assets are not recognizable given the weight of objective evidence as prescribed by the authoritative accounting literature.

During the three months 2021, the Company treated various expenses incurred in connection with the Transaction as infrequent and unusual events. The tax impact of these infrequent and unusual events was recognized in full during the three months 2021.

The outbreak of the COVID-19 pandemic and the worldwide governments response to mitigate the pandemic’s spread have influenced the overall performance of the Company. The extent of the impact of COVID-19 on the Company’s operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, and impact on the Company’s customers, employees, and vendors, all of which are uncertain and cannot be predicted. At this point, the extent of which COVID-19 may impact the Company’s financial condition or results of operations is uncertain. As of the date of the issuance of the financial statements, the Company had to forgo potential opportunities due to the inability to travel. The Company cannot reasonably estimate the length or severity of this pandemic, but it does not anticipate a material adverse impact on its financial position, its results of operations or cash flows through at least the next twelve months from when these financial statements are available to be issued.

In March 2020, the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) was signed into law in the United States. The CARES Act enacts measures to help stabilize the economy and provides more than $2 trillion in financial assistance to federal agencies, state and local governments, businesses, and individuals.

Discussion of Operations – Six Months Ended June 30, 2021 compared to Six Months Ended June 30, 2020

For purposes of this section, the term “six months 2021” refers to amounts in the “NowVertical Consolidated” column for the six months ended June 30, 2021 and the term “six months 2020” refers to amounts in the “Proforma Consolidated” column for the six months ended June 30, 2020.

Now Vertical Group Inc.	Six months ended June 30, 2020				Six months ended June 30, 2021
	Signafire	**Seafront**	**Now Vertical**	**Proforma Consolidated**	**Now Vertical Consolidated**
			(Did not exist)		
REVENUES	1,500,000	61,009	-	1,561,009	1,122,861
COST OF REVENUES	96,688	-	-	96,688	141,266
GROSS PROFIT	1,403,312	61,009	-	1,464,321	981,595
OPERATING EXPENSES:					
General and administrative	447,447	979	-	448,426	7,749,895
INCOME (LOSS) FROM OPERATIONS	955,865	60,030	-	1,015,895	(6,768,300)
OTHER INCOME (EXPENSE):					
Listing expense	-	-	-	-	(1,011,110)
Interest income	34	-	-	34	-
Interest expense	(403,998)	-	-	(403,998)	(211,365)
Total other income (expense)	(403,964)	-	-	(403,964)	(1,222,475)
INCOME (LOSS) BEFORE INCOME TAXES	551,901	60,030	-	611,931	(7,990,775)
PROVISION (BENEFIT) FOR TAXES	-	-	-	-	(31)
NET INCOME (LOSS)	551,901	60,030	-	611,931	(7,990,744)
Interest expense, net				403,964	211,365

Income tax benefit	-	(31)
Depreciation and amortization	1,097	131,127
EBITDA	1,016,992	(7,648,283)
ADJUSTMENTS:		
Listing expense	-	1,011,110
Gain on settlement of lease obligation	-	(1,640,370)
Loss on settlement of lease hold-back	-	1,881,820
Non-cash compensation related to stock options	-	642,883
Non-cash compensation related to restricted stock units	-	2,890,009
Expenses incurred in connection with the Transaction	-	2,138,852
Expenses incurred in connection with acquired businesses	-	491,572
Acquisition accounting effect on acquired deferred revenue	-	481,374
ADJUSTED EBITDA	1,016,992	248,967
REVENUES	1,561,009	1,122,861
Acquisition accounting effect on acquired deferred revenue	-	481,374
ADJUSTED REVENUES	1,561,009	1,604,235

Due solely to the effects of acquisition accounting on Signafire ($481,374 in 2021), revenue declined when comparing the six months 2021 to the six months 2020. Ignoring this item, Signafire's revenues, which were derived from its large automotive customer in both periods, were identical in both the six months 2021 and the six months 2020. Seafront's revenues increased from $61,009 in the six months 2020 to $104,235 in the six months 2021 as its data analytics consulting services began to gain traction with additional customers in 2021.

Cost of revenues consist primarily of employee compensation performed by product consulting and support and maintenance team members, directly associated with the production of revenue. The increase in the six months 2021 compared to the six months 2020 pertains to additional support required for Seafront's increase in revenue.

General and administrative expenses in both the six months 2021 and the six months 2020 include compensation, compensation-related costs, employee benefits, professional fees, hosting fees, and utilities. In the six months 2021, general and administrative costs also include a gain of $1,640,370 on the termination of Signafire's lease for office space, a loss of $1,881,820 to settle a hold-back provision in the merger agreement with the former owners of Signafire, $3,532,891 of non-cash stock compensation expenses (including $2,852,977 of non-cash stock compensation expenses related to previously granted restricted stock units that vested in connection with the Transaction), $1,434,490 of non-cash expenses related to shares provided the finder in the Transaction, $704,362 of legal fees and other fees associated with the Transaction and $491,572 of expenses related to merger and acquisition activities, including the acquisitions of Signafire and Seafront. These items were not present in the six months 2020. Ignoring these items in the six months 2021 (which net to $6,404,765), general and administrative expenses amounted to $1,345,130 in the six months 2021 and the increase compared to $448,426 in the six months 2020 was primarily due to additional personnel in the six months 2021 to manage the business and position the Company to deploy its growth strategy.

“Listing expense” relates to the difference between the value of the consideration issued to G2G’s shareholders in the Transaction and the fair value of G2G’s net assets acquired. There was no comparable item in the prior period.

Interest expense decreased in the six months 2021 compared to the six months 2020 primarily due to the liquidation of Signafire’s lease for office space and a lower outstanding balance of Signafire’s term loan, offset by approximately $55,066 in accrued interest on the convertible debentures issued by NVG in the first quarter of 2021.

Income tax expense (benefit) is recognized at an amount determined by multiplying the profit (loss) before tax for the interim reporting period by management’s best estimate of the weighted-average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognized in full in the interim period. As such, the effective tax rate in the interim financial statements may differ from management’s estimate of the effective tax rate for the annual financial statements.

No income tax provision was recorded in the six months 2020 as Signafire was able to carry-forward its prior operating losses to offset 2020’s taxable income and Seafront is a limited liability company whereby its taxes are borne by its owners. For the six months 2021, the Company recorded an income tax benefit of $31 on pre-tax book loss of $7,990,776. The Company’s effective tax rate for the six months 2021 was 0.00%, which differs from the Canadian statutory rate of 26.5% primarily due to pre-tax losses for which no benefit was recognized as the Company continues to conclude that its deferred tax assets are not recognizable given the weight of objective evidence as prescribed by the authoritative accounting literature.

During the three months ended 2021, the Company treated various expenses incurred in connection with the Transaction as infrequent and unusual events. During the three months ended March 31, 2021, the Company treated the loss on Signafire lease termination settlement as an infrequent and unusual. The tax impact of these infrequent and unusual events was recognized in full during each relevant interim period.

Basic loss per share amounts are calculated by dividing net loss and comprehensive loss for the period attributable to shareholders by the weighted average number of shares outstanding during the period.

Diluted loss per share amounts are calculated by dividing net loss and comprehensive loss for the period attributable to shareholders by the weighted average number of shares outstanding during the period plus the weighted average number of shares, if any, that would be issued on a conversion of all the dilutive potential effects.

The Proportionate Voting Shares and Subordinate Voting Shares are economically equivalent and entitled to the same earnings, as such, the basic and diluted net loss per share for the Company for the period is calculated using the following numerators and denominators:

	For the three months ended: 6/30/2021 USD	For the six months ended 6/30/2021 USD
Numerator		
Net loss and comprehensive loss	(6,299,036)	(7,948,320)
Denominator		
Weighted average number of shares for basic EPS	29,281,952	28,943,437
	(0.22)	(0.27)
Denominator		
Weighted average number of shares for diluted EPS	29,281,952	28,943,437
	(0.22)	(0.27)

Adjusted Revenues, EBITDA and Adjusted EBITDA

See “Cautionary Note Regarding Non-IFRS Measures”.

Adjusted Revenues increased from $795,304 to $804,155 and from $1,561,009 to $1,604,235 in the three and six months ended June 30, 2021 compared to the three and six months ended June 30, 2020, respectively, due to Seafront’s data analytics consulting services being provided to additional customers in 2021. EBITDA decreased from $589,424 to $(6,86,678) and from $1,016,992 to $(7,648,283) when comparing the three and six months ended June 30, 2021 to the three and six months ended June 30, 2020, respectively, due to the acquisition accounting impact on revenue and the non-recurring gains and losses, Transaction-related expenses and non-cash compensation costs, which are not adjusted for purposes of EBITDA. Such items are, however, adjusted to arrive at Adjusted EBITDA, which also decreased from $589,424 to $(81,890) and from $1,016,992 to $248,967 in the three and six months ended June 30, 2021 compared to the three and six months ended June 30, 2020, primarily due to the hiring of additional personnel in the first six months of 2021 to manage the business and position the Company to deploy its growth strategy.

Adjusted Revenues, EBITDA and Adjusted EBITDA are not measures of performance under IFRS and should not be considered in isolation or as a substitute for the IFRS measures of profitability presented in the Interim Financial Statements. These measures do not have standardized definitions and are therefore not necessarily comparable to measured presented by other companies. See “Cautionary Note Regarding Non-IFRS Measures”.

Liquidity and Capital Resources

The Company manages its capital structure on a consolidated level based on the funds available to it in order to support the continuation and expansion of its operations and to maintain a flexible capital structure which optimizes the cost of capital at an acceptable risk. The Company defines “capital” to include share capital and its borrowings. The Company intends to rely primarily on positive cash flows from operations for its day-to-day operating needs as well as a new credit facility and additional financings to liquidate its current term loan and to achieve its acquisition growth strategy. The primary sources of the Company’s cash flow are revenue collected from transactions completed for customers and the net cash proceeds from the Transaction. The Company always intends to maintain sufficient liquidity to meet its liabilities as they come due. This is achieved by continuously monitoring cash flows and reviewing actual operating expenditures and revenue to budget.

On August 26, 2021, the Company's cash amounted to $7,364,758 and it is anticipated that this cash is more than adequate to fund the Company's current working capital needs. As discussed below, under Contractual Obligations, the Company anticipates that it will enter into a long-term credit facility to repay amounts outstanding under Signafire's debenture and to pursue the Company's acquisition growth strategy.

Cash flow from operations

During the six months ended June 30, 2021, the Company's use of cash from operations resulted primarily from its loss from operations, which includes expenses related to the Transaction, cash used to satisfy the hold-back with Signafire's former shareholders, and expenses related to the acquisitions of Signafire and Seafront.

Cash flow from investing activities

There were no investing activities during the six months ended June 30, 2021.

Cash flow from financing activities

During the six months ended June 30, 2021, the Company generated cash from financing activities related to (i) the issuance of 8% convertible debentures, partially offset by the amount required to liquidate Signafire's lease for office space, (ii) the net proceeds received from the Transaction, (iii) the net proceeds from the private placement.

Contractual Obligations

In December 2019, Signafire issued a $2,000,000 senior secured redeemable debenture for working capital purposes. The debenture agreement contains a number of restrictive covenants that, among other things, prohibit Signafire from incurring additional indebtedness, making investments, repurchasing its stock, paying dividends and limiting capital expenditures to $1 million. The debenture bears interest at 15% per annum, requires monthly payments of principal and interest, and has a final maturity in December 2021. At June 30, 2021 the outstanding principal balance amounted to $1,303,606. Prior to its maturity, the Company intends to replace the debenture with a long-term credit facility.

At the time of its acquisition by NVG and at December 31, 2020, Signafire had a lease for office space in New York City. The lease was the subject of a payment hold-back when Signafire was acquired by NVG. In January 2021, the remaining lease payments at December 31, 2020 were negotiated to a lesser amount and the difference was paid to the former shareholders of Signafire in settlement of the lease hold-back. Proceeds from NVG's convertible debenture financing and cash on the balance sheet were utilized to satisfy the renegotiated amount of the lease and amounts due to the former Signafire shareholders. At June 30, 2021, the remaining consideration payable to the former Signafire shareholders pursuant to a general representation and warranties hold-back amounts to $440,243.

In the event NVG is unable to replace Signafire's debenture with a long-term credit facility, the amounts outstanding under Signafire's debenture would be payable in 2021.

Off-Balance Sheet Arrangements

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

Transactions with Related Parties

The Company considers a related party a person or entity that is related to the Company and has control, joint control, or significant influence over the Company or a member of key management personnel. During the six months ended June 30, 2021, a key member of management's former law firm provided legal services to the Company amounting to $657,542 (CAD $815,000).

Outstanding Share Data

The Company is authorized to issue an unlimited number of class A Subordinate Voting Shares and an unlimited number of class B Proportionate Voting Shares. As of the date of this MD&A, the Company has 22,124,842 class A Subordinate Voting Shares outstanding, of which 4,365,275 are restricted share units and 27,127,000 class B Proportionate Voting Shares, of which 300,100 are restricted share units. The Company also has 2,683,061 stock options and 4,665,375 restricted share units outstanding.

Financial Instruments and Risk Management

As part of if its operations, the Company carries financial instruments consisting of cash, trade and other receivables, income tax receivable, accounts payable, accrued expenses and other current liabilities, income payable, loan payable, and deferred revenue.

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Company classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

- Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in the active market for identical assets or liabilities.
- Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (derived from prices).
- Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

Cash, income tax receivable, and trade and other receivables are measured at amortized cost. The carrying value of these financial assets approximates their fair value due to the relatively short period to maturity.

Trade payables, accrued expenses and other current liabilities, income tax payable, loan payable, and deferred revenue are measured at amortized cost. The carrying value of these financial liabilities approximates fair value due to the relatively short period to maturity.

Risk Factors

The Company's activities expose it to financial risks: including credit risk, liquidity risk, and currency risk.

It is the Company's opinion that it is not exposed to other significant market risks: including price, or variable interest rate risk.

Credit risk

The Company takes on exposure to credit risk, which is the risk that one party will cause a financial loss for another party by failing to discharge an obligation. The Company is exposed to the risk of non-payment of trade and other receivables balances. The Company's exposure to credit risk was $35,474 at June 30,2021.

Liquidity risk

Liquidity risk is the risk that the Company might not be able to generate sufficient cash resources to settle its obligations in full as they fall due, or it can only do so on terms that are materially disadvantageous. The Company is exposed to liquidity risk through non-payment of their accounts payable, accrued expenses, other current liabilities, loan payable, and payables to previous shareholders. The Company's exposure to liquidity risk was $3,147,736 at June 30, 2021.

The Company manages its capital structure on a consolidated level based on the funds available to it in order to support the continuation and expansion of its operations and to maintain a flexible capital structure which optimizes the cost of capital at an acceptable risk. The Company defines capital to include share capital and its borrowings. The Company intends to rely primarily on positive cash flows from operations for its day-to-day operating needs and additional financings to liquidate its current term loan and to achieve its acquisition growth strategy.

Currency risk

The Company is exposed to foreign currency fluctuations. Such exposure arise from:

- translation of monetary assets and liabilities denominated in foreign currencies, such as the Canadian dollar ("CAD"). The impact of such exposure is recorded in the Company's Statement of Operations;
- translation of foreign currency verticals that have a function currency, such as CAD, which differ from the USD functional currency of the Company. The impact of such exposure is recorded through the Company's Other Comprehensive Income.

The Company mitigates its currency risk through paying their trade payables on a timely basis and the Company monitors its exposure to foreign currency risks arising from foreign currency balances and transactions.

Disclosure Controls and Procedures and Internal Controls Over Financial Reporting

Disclosure controls and procedures and internal controls over financial reporting have been designed to provide reasonable assurance that all material information related to the Company is identified and communicated on a timely basis.

The Company is listed on the TSXV and as such is not required to provide representations relating to the establishment and maintenance of DC&P and ICFR, as defined in Multinational Instrument 52-109 - *Certification of Disclosure in Issuers Annual and Interim Filings* and the companion policy thereto. In particular, the Chief Executive Officer and the Chief Financial Officer as certifying officers do not make any representations relating to the establishment and maintenance of (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation, and (b) processes to provide reasonable assurance regarding the reliability of financial reporting and the preparation of interim financial statements for external purposes in accordance with the issuer's IFRS.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and the Chief Financial Officer, believe that any disclosure controls and procedures and internal controls over financial reporting, no matter how well designed and operated, can have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance that the objectives of the control system are met.

Future Changes in Accounting Policies

There are no new standards issued by the International Accounting Standards Board that were not effective at June 30, 2021 that are expected to have a significant impact on the Company.

Additional Information Relating to the Company

Additional information relating to the Company can be found on the Company's profile at www.sedar.com.