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

November 18, 2021

The following management's discussion and analysis ("MD&A") 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 nine months ended September 30, 2021 and should be read in conjunction with the Company's consolidated unaudited interim financial statements for the three and nine months ended September 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 analyses 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.

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.

NowVertical Group, Inc., a U.S. operating subsidiary of the Company, was incorporated on September 22, 2020 in Delaware, USA. On March 22, 2021, NowVertical Group, Inc. entered into a business combination agreement with G2G, a Company incorporated under the laws of Ontario, which contemplated the acquisition by G2G of all the issued and outstanding shares of NowVertical. The Transaction, which was structured as a "three-cornered" amalgamation and a reverse triangular merger, constituted a reverse takeover of G2G by NowVertical 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 NowVertical. The Company's subordinate voting shares commenced trading on the TSXV on July 5, 2021.

The Company is a big data, analytics and vertical intelligence company that is growing 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 by creating vertically-focused solutions that create transformative value specific to their industry. The company's go-to-market is organized by segments which are NOW Origin, NOW Solutions and , coincident with its acquisition on November 1, 2021, Affinio (which is discussed below in "Subsequent Events").

The Company's Vertical Intelligence ("VI") software and services solutions are organized by industry vertical, and are built upon a foundational set of data technologies that fuse, secure and mobilize data in a transformative and compliant way. The proprietary technologies built by the Company include NOW Fusion, NOW Privacy, NOW DataBench (all part of NOW Origin) and Affinio. The NOW technologies enable the creation of high-value Vertical Intelligence solutions that are predictive in nature and will enable automation specific to each industry vertical (i.e. Government, Automotive, Media, etc.). The Company offers a sophisticated data mobilization solution that enables secure data access across internal and external stakeholders, accelerating data-oriented innovation and VI solution development. Also, the Company has a state-of-the-art data clustering platform that creates affinity graphs based on first and third-party data sources. This business intelligence ("BI") tool is delivering transformative value in the way companies are analyzing and acquiring new customers.

The Company is rapidly pursuing its vertically driven expansion into several high-value industries with its turnkey strategy: establish foundations of intelligence through data securitization, fusion and mobility; expand business intelligence and analytical applications; and generate VI solutions in industry that deliver transformative value through the generation of predictive modeling solutions.

<u>Subsequent Events</u>

Acquisition of Certain Assets of DocAuthority

On October 1, 2021, the Company, through its subsidiary in Israel, Robert Baratheon Ltd., and its subsidiary in the UK, NowVertical UK Ltd., acquired substantially all of the assets of DocAuthority Ltd. ("DocAuthority"), an Israeli-based data governance software company. In connection with the acquisition, certain assets were licensed to the Company and may ultimately be assigned by DocAuthority without further consideration paid to DocAuthority. The purchase price was $356,376, which consisted of a cash payment of $316,376 and $40,000 in the form of the Company's Subordinate Voting Shares. The Company also assumed certain liabilities.

Acquisition of Affinio Inc.

On November 1, 2021, the Company acquired all issued and outstanding securities of Affinio Inc. ("Affinio"), a Canadian-based audience insights and privacy-safe customer analytics platform company. The total aggregate consideration of $7.3 million consists of (i) a cash payment of $3 million on closing, (ii) the issuance of subordinate voting shares of the Company on closing with an aggregate value of $1.3 million at a price per share equal to the Canadian dollar equivalent of US$1.00, (iii) a deferred cash payment of $1.5 million payable on July 2, 2022 and (iv) a deferred cash payment of $1.5 million payable on March 1, 2023.

Marketed Public Offering

On November 10, 2021, the Company filed a preliminary short form prospectus with the securities commissions or similar regulatory authorities in each of the provinces of Canada (other than Quebec), in connection with an overnight marketed public offering (the "Offering") of units of the Company (the "Units") for minimum gross proceeds of CAD$5.0 million and maximum gross proceeds of CAD$8.0 million and an over-allotment option of 15%. On November 11, 2021, the Company announced that due to strong investor demand, it has increased the size of the Offering. Under the amended terms, the Company intends to issue the Units at a price of CAD$0.95 per Unit, for minimum gross proceeds of C$5,000,000 and maximum gross proceeds of CAD$9,000,015 ("Maximum Offering Size"). In the event the over-allotment option is exercised in full under the Maximum Offering Size, the aggregate gross proceeds of the Offering will be CAD$10,350,017.

Closing of the Offering is subject to customary closing conditions, including, but not limited to, the approval of the securities regulatory authorities and the TSXV.

Marketing Services Agreement

On November 18, 2021, the Company entered into a marketing services agreement ("Marketing Agreement") with AGORA Internet Relations Corp. ("AGORACOM") whereby AGORACOM will provide marketing services in exchange for shares of the Company. The term of the Marketing Agreement is for 12 months effective November 1, 2021 and is subject to regulatory approval. Subject to the approval of the TSXV, the Company intends to issue Subordinate Voting Shares to AGORACOM in exchange for the AGORACOM's services. Pursuant to the terms of the Marketing Agreement, the Company intends to issue such number of shares equal to CAD$100,000 plus HST in instalments over the next 12 months. The number of Subordinate Voting Shares to be issued at the end of each period will be determined by using the closing price of the Company's Subordinate Voting shares on the TSXV on the first trading day following the end of each period for which AGORACOM provides services to the Company.

Basis of Presentation

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

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 for the full comparable three and nine month periods ended September 30, 2020. To facilitate a meaningful analysis of the Company's results for the three and nine months ended September 30, 2021 with the comparable three and nine months of the prior year, tables of comparative prior year pro forma results have been prepared. In those tables, the historical unaudited results of operations in the columns therein headed "Signafire", "Seafront" and "Integra" were derived from each respective entity's books and records. As noted above, Signafire and Seafront were acquired in November 2020 and Integra Data Analytic and Solutions Corp. ("Integra") was acquired on August 5, 2021. The columns headed "Signafire", "Seafront" and "Integra" are presented solely to facilitate the combination of the prior year's comparable three and nine 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 combined full three and nine month comparative prior year periods for Signafire, Seafront and Integra, the three operating entities that comprised the Company on September 30, 2021, for comparison to the NowVertical Consolidated column for the respective current year periods. 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 the Filing Statement, 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" adjusts revenue to eliminate the effects of acquisition accounting on the Company's revenues.

"**EBITDA**" represents net income (loss) before depreciation and amortization 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, , non-recurring expense items, non-cash stock compensation costs, , and includes the full year impact of cost synergies related to the reduction of employees in relation to acquisitions.

Discussion of Operations – Three Months Ended September 30, 2021 compared to Three Months Ended September 30, 2020

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

	Three months September 30, 2020					Three months ended September 30, 2021
Now Vertical Group Inc.					**Proforma**	**Now Vertical**
	Signafire	**Seafront**	**Integra**	**Now Vertical**	**Consolidated**	**Consolidated**
				No transactional detail		
REVENUES	750,000	19,139	(1,121)	-	768,018	957,708
COST OF REVENUES	43,750	-	31,239	-	74,989	155,805
GROSS PROFIT	706,250	19,139	(32,360)	-	693,030	801,903
OPERATING EXPENSES:						
General and administrative	207,022	3,891	140,780	-	351,693	2,174,306
INCOME (LOSS) FROM OPERATIONS	499,228	15,248	(173,139)	-	341,337	(1,372,403)
OTHER INCOME (EXPENSE):						
Other income/(Expense)	-	-	9,213	-	9,213	-
Interest income	8	-	5	-	13	82
Interest expense	(178,533)	-	-	-	(178,533)	(14,155)
Total other income (expense)	(178,525)	-	9,218	-	(169,307)	(14,073)
INCOME (LOSS) BEFORE INCOME TAXES	320,703	15,248	(163,921)	-	172,030	(1,386,476)
PROVISION (BENEFIT) FOR TAXES	-	-	-	-	-	(15,726)
NET INCOME (LOSS)	320,703	15,248	(163,921)	-	172,030	(1,370,750)
Interest expense, net					178,520	14,073
Income tax benefit					-	(15,726)
Depreciation and amortization					548	78,301
EBITDA					351,098	(1,294,102)
ADJUSTMENTS:						
Non-cash compensation related to stock options					-	332,764
Non-cash compensation related to restricted stock units					-	14,747
Expenses incurred in connection with the Transaction					-	(21,089)
Expenses incurred in connection with acquired businesses					-	100,509
ADJUSTED EBITDA					351,098	(867,171)
REVENUES					768,018	957,708
Acquisition accounting effect on acquired deferred revenue					-	-
ADJUSTED REVENUES					768,018	957,708

Revenue increased nearly 25% 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 three month periods. Seafront's revenue for the three months 2021 has benefitted primarily from two data analytics consulting projects that were not present in the prior comparable period.

Cost of revenues consist primarily of employee compensation for 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 primarily 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 advertising and marketing costs. The increase in general and administrative costs in the three months 2021 is primarily due to additional personnel hired in 2021 to help manage the business and position the Company to deploy its growth strategy. The three months ended 2021 also include $347,511 of non-cash stock compensation, $138,903 of marketing and advertising, $59,097 of public-company related costs, $100,509 of expenses associated with acquisition activities, and an adjustment of $(21,089) to the transaction expenses, which were not present in the prior comparable three-month period.

Interest expense decreased in the three months 2021 compared to the three months 2020, primarily due to the settlement of Signafire's lease for office space and a reduction of Signafire's term loan.

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, Seafront is a limited liability company whereby its taxes are borne by its owners and Integra was in a loss position. For the three-months ended September 30, 2021, the Company recorded an income tax benefit of $15,726 on pre-tax book loss of $1,386,476. The Company's effective tax rate for the three-months ended September 30, 2021 was 1.14%, 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.

The outbreak of the COVID-19 pandemic and 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 to which COVID-19 may impact the Company's financial condition or results of operations is uncertain. As of the date of the Interim 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 the COVID-19 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. 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. 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 September 30, 2021.

Discussion of Operations – Nine Months Ended September 30, 2021 compared to Nine Months Ended September 30, 2020

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

	Nine months ended September 30, 2020					Nine months ended September 30, 2021
Now Vertical Group Inc.	**Signafire**	**Seafront**	**Integra**	**Now Vertical**	**Proforma Consolidated**	**Now Vertical Consolidated**
				No transactional detail		
REVENUES	2,250,000	80,149	108,619	-	2,438,768	2,080,569
COST OF REVENUES	140,438	-	116,254	-	256,691	297,071
GROSS PROFIT	2,109,562	80,149	(7,635)	-	2,182,076	1,783,498
OPERATING EXPENSES:						
General and administrative	654,470	4,871	170,385	-	829,726	9,924,202
INCOME (LOSS) FROM OPERATIONS	1,455,092	75,278	(178,020)	-	1,352,350	(8,140,704)
OTHER INCOME (EXPENSE):						
Listing expense	-	-	-	-	-	(1,011,110)
Other income/(Expense)	-	-	45,168	-	45,168	-
Interest income	42	-	17	-	59	82
Interest expense	(582,531)	-	-	-	(582,531)	(225,520)
Total other income (expense)	(582,489)	-	45,185	-	(537,304)	(1,236,548)
INCOME (LOSS) BEFORE INCOME TAXES	872,603	75,278	(132,835)	-	815,046	(9,377,252)
PROVISION (BENEFIT) FOR TAXES	-	-	-	-	-	(15,757)
NET INCOME (LOSS)	872,603	75,278	(132,835)	-	815,046	(9,361,495)
Interest expense, net					582,472	225,438
Income tax benefit					-	(15,757)
Depreciation and amortization					1,097	209,428
EBITDA					1,398,615	(8,942,386)
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					-	975,648
Non-cash compensation related to restricted stock units					-	2,904,755
Expenses incurred in connection with the Transaction					-	2,117,764
Expenses incurred in connection with acquired businesses					-	577,355
Acquisition accounting effect on acquired deferred revenue					-	481,374
ADJUSTED EBITDA					1,398,615	(632,930)
REVENUES					2,438,768	2,080,569
Acquisition accounting effect on acquired deferred revenue					-	481,374
ADJUSTED REVENUES					2,438,768	2,561,943

Due solely to the effects of acquisition accounting on Signafire (which reduced revenue by $481,374 in 2021), revenue declined when comparing the nine months 2021 to the nine months 2020. Excluding this item, revenues on a consolidated level were slightly higher in the nine months 2021. Signafire's revenues, which were derived from its large automotive customer, were identical in both nine month periods. Seafront's revenues nearly quadrupled from $80,149 in the nine months 2020 to $311,657 in the nine months 2021, as its data analytics consulting services began to gain traction with additional customers in 2021. Integra's revenues declined from $108,619 in the nine months 2021 to $1,692 in the nine months 2021 as projects completed during the prior period did not repeat.

Cost of revenues consist primarily of employee compensation for product consulting and support and maintenance team members directly associated with the production of revenue. The amounts are comparable in both the nine months 2021 and the nine months 2020 since revenue is similar in both periods, excluding the acquisition related adjustment to Signafire's revenues in the nine months 2021 period.

General and administrative expenses in both the nine months 2021 and the nine months 2020 include compensation, compensation-related costs, employee benefits, professional fees, hosting fees, and utilities. In the nine 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, $3,880,403 of non-cash stock compensation expenses (including $2,904,755 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 to the finder in the Transaction, $683,273 of legal fees and other fees associated with the Transaction, and $577,355 of expenses related to merger and acquisition activities.. These items were not present in the nine months 2020. Ignoring these items in the nine months 2021 (which net to $6,816,972), general and administrative expenses were $3,107,230 in the nine months 2021 compared to $829,726 in the nine months 2020. The increase was primarily due to the hiring of additional personnel in the nine months 2021 to help manage the business and position the Company to deploy its growth strategy. The nine months ended 2021 also included $151,186 of marketing and advertising and $64,082 of public-company related costs, which were not present in the prior comparable three month period.

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 nine months 2021 compared to the nine months 2020 primarily due to the settlement of Signafire's lease for office space and a reduction 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 nine months 2020, as Signafire was able to carry-forward its prior operating losses to offset 2020's taxable income. Seafront is a limited liability company whereby its taxes are borne by its owners and Integra was in a loss position. For the nine-months ended September 30, 2021, the Company recorded an income tax benefit of $15,757 on pre-tax book loss of $9,377,252. The Company's effective tax rate for the nine-months ended September 30, 2021 was 0.17%, 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 nine months 2021, the Company treated various expenses incurred in connection with the Transaction and the loss on the Signafire lease termination settlement as discrete events. The tax impact of these discrete events were recognized in full during each relevant interim period.

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

Diluted loss per share amounts are calculated by dividing net loss attributable to shareholders for the period 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 Share 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: 9/30/2021 USD	**For the nine months ended 9/30/2021 USD**
Numerator		
Net loss	(1,370,750)	(9,361,495)
Denominator		
Weighted average number of shares for basic EPS	49,060,699	49,187,482
	(0.03)	(0.19)
Denominator		
Weighted average number of shares for diluted EPS	49,060,699	49,187,428
	(0.03)	(0.19)

Adjusted Revenues, EBITDA and Adjusted EBITDA

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".

Adjusted Revenues increased from $768,018 to $957,708 and increased from $2,438,768 to $2,561,943 in the three and nine months ended September 30, 2020 compared to the three and nine months ended September 30, 2021, respectively, due to Seafront's data analytics consulting services being provided to additional customers in 2021. The increase in the nine months 2021 was partially offset by a decrease in Integra's revenues from projects that were completed in the prior period and did not repeat.

EBITDA decreased from $351,098 to $(1,294,102) and from $1,398,615 to $(8,942,386) in the three and nine months ended September 30, 2020 compared to the three and nine months ended September 30, 2021, respectively. The decrease in the three month comparison period is primarily due to increased compensation costs for additional personnel and non-cash compensation costs. The decrease in the nine month comparison period is also due to increased compensation costs and the acquisition accounting impact on revenue, non-recurring gains and losses, Transaction related expenses, and non-cash compensation costs, which are not adjustments to EBITDA, but are adjustments for the purpose of determining Adjusted EBITDA.

Adjusted EBITDA decreased from $351,098 to $(867,171) and from $1,398,615 to $(632,930) in the three and nine months ended September 30, 2020 compared to the three and nine months ended September 30, 2021, primarily due to the hiring of additional personnel in the first nine months of 2021 to help manage the business and position the Company to deploy its growth strategy.

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.

At November 18, 2021, the Company had $3,635,178 in cash, which management believes is sufficient to fund the Company's current working capital needs. As discussed below under Contractual Obligations, the Company anticipates securing a long-term credit facility to repay amounts outstanding under Signafire's debenture and to pursue the Company's acquisition growth strategy. Additionally, as mentioned above under Subsequent Events, the Company expects to close a public offering of its Subordinate Voting Shares in December 2021.

Cash flow from operations

During the nine months ended September 30, 2021, the Company's use of cash from operations resulted primarily from its loss from operations, which includes cash compensation costs related to the additional personnel hired in the first nine months of 2021 to help manage the business and position the Company to deploy its growth strategy, 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, Seafront and Integra.

Cash flow from investing activities

During the nine months ended September 30, 2021, the Company's investing activities relate to the acquisition of Integra.

Cash flow from financing activities

During the nine months ended September 30, 2021, the Company generated cash from financing activities that was primarily related to (i) the issuance of 8% convertible debentures, partially offset by the amount required to settle Signafire's lease for office space, (ii) the net proceeds received from the Transaction, and (iii) the net proceeds from the Company's April 2021 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 making capital expenditures of more than $1.0 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 September 30, 2021 the outstanding principal balance was $1,303,606. Prior to its maturity, the Company intends to replace the debenture with a long-term credit facility. In the event NVG is unable to replace Signafire's debenture with a long-term credit facility, the amounts outstanding under Signafire's debenture are due on December 31, 2021.

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 September 30, 2021, the remaining consideration payable to the former Signafire shareholders pursuant to a general representation and warranties hold-back amounts to $440,243.

Off-Balance Sheet Arrangements

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

Transactions with Related Parties

The Company considers a related party to be 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. On August 24, 2021, the Company entered into an agreement to lend $100,000 (CAD$125,000) to a key member of management at 1% interest maturing in one year. During the nine months ended September 30, 2021, a key member of management's former law firm provided legal services to the Company amounting to $628,178 (CAD $778,000).

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 22,680,398 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 2,683,061stock options and 4,665,375 restricted share units outstanding.

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 $179,181 at September 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 $3,112,741 at September 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 arises 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; and

- translation of foreign currency verticals that have a functional 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 by paying its trade payables on a timely basis and the Company monitors its exposure to foreign currency risks arising from foreign currency balances and transactions.

Future Changes in Accounting Policies

There are no new standards issued by the International Accounting Standards Board that were not effective at September 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.