Playmaker Capital Inc.
Management's Discussion and Analysis
For the Three and Nine Months Ended September 30, 2022

The following management discussion and analysis ("MD&A") dated November 14, 2022 is intended to assist readers in understanding the business environment, strategies and performance and risk factors of Playmaker Capital Inc. (the "Company", "Playmaker", "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, 2022. This MD&A should be read in conjunction with our unaudited condensed consolidated interim financial statements and notes thereto for the three and nine months ended September 30, 2022 (the "Interim Financial Statements").

Basis of Presentation

The Interim Financial Statements and related financial information presented herein have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"). This MD&A should be read in conjunction with our MD&A for the years ended December 31, 2021 and 2020. All references in this MD&A to (i) "Q3 2022" are to the Company's three months ended September 30, 2022, and (ii) "Q3 2021" are to the Company's three months ended September 30, 2021. The Interim Financial Statements and the notes thereto for the three and nine months ended September 30, 2022 and this MD&A were approved by the Company's board of directors. All figures contained in this MD&A are presented in United States dollars unless otherwise stated herein.

Cautionary Statement Regarding Forward Looking-Statements

This MD&A contains certain statements that may be deemed "forward-looking statements", including statements regarding developments in the Company's operations in future periods, adequacy of financial resources and future plans and objectives of the Company. 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 are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", "estimates", "projects", "potential", "interprets" and similar expressions, or events or conditions that "will", "would", "may", "could" or "should" occur.

Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results may differ materially from those in forward-looking statements. Factors that could cause the actual results to differ materially from those in forward-looking statements include, among other things, continued availability of capital and financing, market or business conditions, and the factors discussed in the "Risk Factors" section of this MD&A. To the extent any forward-looking statements in this MD&A constitutes future-oriented financial information or financial outlook, within the meaning of applicable securities laws, such information is being provided to demonstrate the potential of the Company and readers are cautioned that this information may not be appropriate for any other purpose. Future oriented financial information and financial outlook, as with forward-looking information generally, are based on current assumptions and subject to risks, uncertainties and other factors. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Readers are cautioned not to place undue reliance on this forward-looking information. The Company undertakes no obligation to update these forward-looking statements in the event that Management's beliefs, estimates, opinions or other factors should change except as required by law.

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 our results of operations from management's perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. We use non-IFRS measures including "EBITDA", "Adjusted EBITDA" or "aEBITDA", "working capital", and metrics that are presented on a "Pro Forma" basis.

"EBITDA" is earnings before interest, taxes, depreciation and amortization.

"Adjusted EBITDA" or "aEBITDA" is earnings of the Company's operating subsidiaries before interest, taxes, depreciation and amortization excluding the impact of head office costs and any one-time costs.

"working capital" is the Company's current assets minus its current liabilities.

"Pro Forma" is an adjustment to incorporate the results of any acquisitions made through the date of this MD&A, assuming each acquisition occurred on the first day of the period being presented.

These non-IFRS measures are used to provide investors with supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS measures. We believe that securities analysts, investors and other interested parties frequently use non-IFRS measures including industry metrics in the evaluation of issuers. Our management also uses non-IFRS measures, including industry metrics, in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts and to determine components of management compensation.

Description of the Business

Playmaker (formerly, Apolo III Acquisition Corp.) was incorporated under the Business Corporations Act (Ontario) on January 19, 2018. The registered head office of the Company is 2 St Clair Ave W, Suite 601, Toronto, Ontario, M4V 1L5. The Company is a publicly traded company, listed on the TSX Venture Exchange ("TSXV") under the symbol "PMKR" and on the OTCQX Best Market under the symbol "PMKRF".

The principal business of the Company is to build a collection of premier sports media brands by acquiring complementary businesses at the convergence of sports, media, betting and technology, in order to deliver highly engaged audiences of sports fans to sports betting companies, leagues, teams and advertisers.

General Description of the Business

Playmaker is a digital sports media company that lives at the intersection of sports, betting, media, and technology. Playmaker is building a premier collection of sports media brands, curated to deliver highly engaged audiences of sports fans to sports betting companies, leagues, teams and advertisers. Playmaker is focused on the immediately profitable portion of the iGaming ecosystem and is rolling up digital sports media assets and technology to create an ecosystem of highly engaged sports fans that we will monetize with sports betting companies, leagues, teams, and advertisers.

The team at Playmaker has global experience in the gambling, sports, technology and media industries. This wide range of experience will provide Playmaker insight into markets around the world, and a strong understanding of what is required to scale businesses in this sector. The mandate for target acquisitions is global with a core focus on the United States, Latin America, and Canada. The team's combined experience and network provide a unique and proprietary source of deal flow that will assist the company is accessing opportunities in markets all around the world.

Sports betting regulation is changing globally. The repeal of the Professional and Amateur Sports Protection Act ("PASPA") in the US in 2018 led to the opening of online gambling and sports betting in many US states, with several more anticipated in the coming years. During the second quarter of 2021, Canada lifted its ban on single event wagering by passing Bill C-218. Argentina passed iGaming legislation in December 2018, as did Brazil. Regulated online gambling presents significant opportunity for Playmaker as iGaming companies have consistently spent significant marketing dollars to acquire customers. Playmaker will look to leverage its team's global experience to get first mover positions in these emerging markets in addition to the US.

Playmaker is acquiring companies that fit into one of four key categories of focus. These four categories will provide Playmaker with the assets necessary to engage and acquire fans to ensure we create a full-service ecosystem. The four key categories are as follows:

1. Large, Diverse, Engaged Fanbases: The need for qualified users that are engaged by great content.
2. Variety of Content, Distribution and Revenue Channels: The need for a variety of content and distribution channels to capture the widest audience possible whenever they want it and however, they want it in addition to a diversified revenue model to maximize all revenue opportunities and de-risk concentration on any one particular area.
3. Influencer Networks and Strong Social Presence: The need for influencer networks that are selected carefully to ensure authenticity and relevance to Playmaker's fans and partners. A strong social presence will provide a stronger community amongst Playmaker's audience.
4. Tools to Acquire and Retain Users: The need for strong products and retention tools to enhance engagement and promote brand loyalty to achieve Playmaker's partners' monetization.

Principal Products and Services

The Playmaker ecosystem is comprised of five principal customer categories: (i) sports betting and iGaming operators, (ii) traditional advertisers, (iii) syndication, (iv) services, and (v) direct to consumer.

1. Sports Betting and iGaming Operators: Revenue from Sports Betting and iGaming clients is earned via programmatic advertising, direct campaigns and through agencies specializing in gambling clients.
2. Traditional Advertisers: Advertising revenue is generated from traditional blue-chip clients including via programmatic advertising, direct campaigns, ad agency and sponsorships.
3. Syndication: Advertising revenue that is generated via an extensive network of syndication partners.
4. Services: Services revenue is generated through technical design and product development services that seek to help clients find solutions to problems caused by legacy infrastructure, a lack of time, or a lack of resources.
5. Direct to Consumer: Revenue is generated direct from consumers via eCommerce in Chile and Canada and streaming revenue sharing with holders of various media rights in Chile and Mexico.

Growth and Acquisitions

Since inception, the Company has executed its M&A strategy by making fifteen acquisitions, including platform businesses such as Futbol Sites, Wedge (as described below), Yardbarker, Two-Up, The Nation Network and SuperPoker, as well as various asset acquisitions throughout the Americas.

In addition to a plan focused on strong organic growth for the Company's existing subsidiaries, Playmaker has a robust and growing proprietary pipeline that will continue to generate value. In seeking out additional acquisition targets, Playmaker will emphasize (i) significant strategic benefits and synergies, (ii) financial accretion, (iii) equity and/or earn-out sale mechanics and (iv) proven and aligned management teams, and (v) profitability or a clear path to profitability.

Acquisition of World Soccer Talk

On July 5, 2022, the Company acquired the digital assets of Double Decker Group, LLC ("World Soccer Talk"), a U.S.-based, soccer-focused media business that provides breaking news, deep analysis, and need-to-know broadcast and streaming information related to soccer events, leagues, and clubs globally, for aggregate consideration of up to $1.15 million.

The purchase price consideration consisted of (i) a closing cash payment of $0.35 million, (ii) the issuance of 510,000 common shares of Playmaker ("Common Shares") on closing, priced at C$0.75 per Common Share, and (iii) up to a total of $0.5 million in the form of an earn-out, payable to the sellers upon World Soccer Talk achieving certain revenue and performance targets in the first and second year following closing.

World Soccer Talk's audience across web, social channels, and podcasts is primarily based in the U.S. and immediately contributes to Playmaker's growing presence with North American soccer fans. Playmaker's wholly owned subsidiary, Futbol Sites, has an expansive footprint across Brazil, Argentina, Chile, Colombia, Mexico, and the U.S. Hispanic market through widely popular soccer-first web properties, and it ranks as the largest regional digital sports media group in Latin America. World Soccer Talk will complement Playmaker's presence in the Latin American sports market and with the U.S. Hispanic population, and establish Playmaker as a leading provider of digital soccer content in North America.

Acquisition of JuanFutbol

On August 2, 2022, Playmaker acquired the digital assets of JuanFutbol ("JuanFutbol"), operator of an assortment of widely popular social media and digital channels as well as leading sports-focused web properties from Soccerly SAPI de C.V., to accelerate Playmaker's growth in key Mexican and US Hispanic markets, for aggregate consideration of up to $2.8 million.

The purchase price consideration consisted of (i) a closing cash payment of $0.4 million, (ii) the issuance of 421,754 Common Shares on closing, priced at C$0.75 per Common Share, and (iii) a target earn-out of $1.4 million payable to the sellers upon JuanFutbol achieving certain revenue and performance targets in the period from July 1, 2022 to December 31, 2023. The earnout can increase to a maximum of $2.1 million if targets are exceeded, and 40% of the earn-out shall be satisfied in Common Shares, subject to the approval of the TSXV.

JuanFutbol delivers authentic digital soccer content to more than 6 million social media followers across Facebook, Instagram, Twitter, TikTok, and YouTube. Collectively, JuanFutbol's social media content generates a monthly reach in excess of 50 million. The acquisition of JuanFutbol also includes baseball-focused asset, JuanBeisbol, and women's-focused sports property, FridaPop. JuanBeisbol introduces the first baseball-oriented brand to the Playmaker ecosystem, a top 3 sport in Mexico with strong year-long levels of interest and engagement. FridaPop will complement Playmaker's other female branded asset, Redgol Fem in Chile, and directly contribute to a concerted effort to increase coverage of women's soccer and elevate women in sport globally.

Playmaker brand, Futbol Sites, will integrate JuanFutbol's team of experts in branded content to enhance the execution of sponsored campaigns in the region and more broadly across Latin America and the US. JuanFutbol's strong track record of partnering with top-tier brands adds market leading relationships and reputation to Playmaker's direct selling capabilities. The Mexico City based team that includes social media experts, media planners, creatives, video editors, copywriters, designers, and data scientists will be critical in supporting high-value brand partnerships ahead of FIFA World Cup Qatar 2022 and beyond.

Convertible Facility with Beedie Capital

On July 11, 2022, the Company closed a $20.0 million convertible loan facility (the “Convertible Facility”) with Beedie Investments Ltd. (“Beedie Capital”), which matures on July 11, 2026. The Company received an initial advance of $15.0 million upon closing of the Convertible Facility, with the remaining $5.0 million available for subsequent advances in minimum tranches of $2.5 million over the term of the Convertible Facility. Beedie Capital may elect to convert the principal amount of the initial advance into Common Shares at a conversion price of C$0.70 per Common Share, subject to adjustment in accordance with the terms of the credit agreement entered into in respect of the Convertible Facility. The Company is entitled to require Beedie Capital to convert up to 50% of the principal amount of the initial advance or any subsequent advance in the event that the 20 trading day volume-weighted average price of the Common Shares equals or exceeds a 50% premium to the initial conversion price. The Convertible Facility bears interest at a fixed rate of 9% per annum on advanced funds and carries a standby fee equal to 1.25% per annum on the unadvanced portion of the Convertible Facility compounded monthly and payable in arrears.

Subsequent Events

Acquisition of Wedge Traffic

On October 17, 2022, the Company acquired 100% of the shares of Wedge Traffic Limited dba Wedge (“Wedge”) to enhance its iGaming and affiliate presence in the U.S. market. The transaction included total aggregate consideration of up to $31.2 million. Wedge’s technical and affiliation expertise, combined with Playmaker’s ecosystem of highly engaged sports fans, will create significant value for online sportsbooks and casino operators that are vying to acquire and retain customers, and will facilitate a safe and fulfilling iGaming user experience.

The purchase consideration consisted of (i) a closing cash payment of $8.5 million, (ii) the issuance of 3,694,933 Common Shares on closing, priced at C$0.75 per Common Share, and (iii) contingent consideration of approximately $20.7 million. The contingent consideration consists of two separate earn-out payments in an aggregate amount of approximately $16.7 million, payable to the sellers upon achieving certain revenue and EBITDA targets in each of the 12-month periods ending December 31, 2023 and December 31, 2024. The vendors have an ability to earn more than the $16.7 million in earn-out consideration if certain EBITDA targets are exceeded. Additionally, as part of the contingent consideration, the sellers are eligible to receive two separate deferred cash payments of $1.5 million and $1.0 million if certain EBITDA thresholds are achieved in each of 2023 and 2024, respectively, and two separate milestone payments of $750,000 each if certain revenue thresholds are achieved at any time following closing.

Wedge employs unique and proprietary user acquisition tactics and owns and operates eight web properties specifically curated to deliver its audiences directly to regulated online sportsbook and casino operators. With a core focus on the U.S. market, Wedge properties display real time state-by-state promotions, welcome bonuses, and one-time offers, among other opportunities related to betting lines. Through safe play content, such as actionable insights and strategies, Wedge is facilitating a fun and engaging experience while also fuelling the growth of online gaming by offering sportsbooks and casinos targeted user acquisition channels. Founders Dan Kersh and David Copeland joined Playmaker’s senior leadership team and provide a net-new expertise in iGaming affiliation, a key vertical that Playmaker has planned to further activate.

The addition of Wedge enhances Playmaker's ability to meet increasing demand for sports betting and casino content. Playmaker has identified affiliation as a gap in its value proposition to serve as a valuable partner to iGaming operators. Wedge's high visibility calls to action drive outsized user conversion, resulting in highly targeted marketing campaigns for Playmaker's partners and relevant offers for Playmaker's users. By introducing a new centre of excellence in affiliation, Playmaker will also be able to supplement current revenue streams derived from its pure sports-centric media brands to generate higher revenue per user from online operators.

Third Quarter Highlights

In 000s	Three Months Ended Sept 30		Nine Months Ended Sept 30	
	2022	**2021**	**2022**	**2021**
Revenue	$ 8,812	$ 4,776	$ 21,606	$ 7,815
Operating income (loss)	(364)	1,018	(1,729)	1,308
Net income (loss)	(2,452)	893	(6,964)	(565)
aEBITDA	2,257	1,978	5,758	2,880
Pro Forma revenue	10,061	8,379	28,353	21,961
Pro Forma aEBITDA	2,749	3,313	8,490	7,810

- On July 11, 2022, the Company closed a $20.0 million Convertible Facility with Beedie Capital, which matures on July 11, 2026. The Company received an initial advance of $15.0 million upon closing of the Convertible Facility.
- Q3 2022 Pro Forma revenue increased by 20% over Q3 2021 driven by strong organic growth across our portfolio of businesses.
- Q3 2022 Pro Forma aEBITDA decreased by 17% compared to Q3 2021 as the Company continues to invest in the growth of its businesses by building out its teams to drive top line growth. Prior year results also the benefited from major sporting events (European soccer championships, Copa America, Tokyo Olympics).
- On an IFRS basis, Q3 2022 revenue increased by 85% over Q3 2021 due to acquisitions made in the latter part of 2021. The Company incurred an operating loss of $0.4 million in Q3 2022 compared to operating income of $1.0 million in Q3 2021, a decrease of $1.4 million resulting from increased amortization on acquired intangible assets.

Discussion of Results of Operations

Summary of Pro Forma results

In 000s	Three Months Ended Sept 30		Nine Months Ended Sept 30	
	2022	**2021**	**2022**	**2021**
Pro Forma revenue	$ 10,061	$ 8,379	$ 28,353	$ 21,961
Pro Forma aEBITDA	2,749	3,313	8,490	7,810

The Company's Q3 2022 Pro Forma revenue increased by $1.7 million or 20% compared to Q3 2021 driven by the organic growth and increased traffic of our Digital Media segment. The organic revenue increase occurred despite the fact that Q3 2021 revenue was supported by major international sporting events (European soccer championship and Copa America) that were originally slated for 2020.

For the nine months ended September 30, 2022, the Company's Pro Forma revenue increased by $6.4 million or 29% over the prior year driven mainly by organic growth of our Digital Media segment.

The Company's Q3 2022 Pro Forma aEBITDA decreased by $0.6 million or 17% compared to Q3 2021 due to the fact that Q3 2021 aEBITDA was enhanced by two major international soccer tournaments in that quarter. In addition, the Company has continued to invest in the growth of its businesses during 2022, particularly in preparation for the upcoming World Cup in November and December 2022.

For the nine months ended September 30, 2022, the Company's Pro Forma aEBITDA increased by $0.7 million or 9% due to the organic growth of our recently acquired business partially offset by the above noted events and investment in the business.

The following table shows the trailing 8 quarters of Pro Forma revenue and aEBITDA:

In 000s		**Pro Forma Revenue**		**Pro Forma aEBITDA**
Q3 2022	$	10,061	$	2,749
Q2 2022		8,566		2,445
Q1 2022		9,726		3,296
Q4 2021		9,413		3,480
Q3 2021		8,379		3,313
Q2 2021		7,410		2,600
Q1 2021		6,173		1,898
Q4 2020		6,661		2,664

The Company's revenue is driven primarily by two factors: the number of user sessions on our websites (traffic) and the revenue earned per session. Both factors are impacted by seasonality during the year, which follows the seasonality in advertiser spend. Advertiser spend is impacted by many factors, including the timing of each advertiser's fiscal year-end and the timing of significant events such as the Olympics or the soccer World Cup, but it generally increases in Q4, which includes Black Friday and the Christmas shopping season. Our revenue is therefore typically highest in Q4 and lowest in Q1 each year. Due to this seasonality, the results in any given quarter are not necessarily indicative of the results for the entire year.

Summary of Financial Results

Financial results in the section below include the results of each acquired business from the date of the closing of their respective acquisitions.

In 000s, except per share information		**Three Months Ended Sept 30** **2022**		**2021**		**Nine Months Ended Sept 30** **2022**		**2021**
Revenue	$	8,812	$	4,776	$	21,606	$	7,815
Gross profit		7,961		4,470		19,360		7,363
Operating expenses		8,325		3,452		21,089		6,055
Operating (loss) income		(364)		1,018		(1,729)		1,308
Net (loss) income		(2,452)		893		(6,964)		(565)
Net (loss) income per Share		(0.01)		0.00		(0.03)		(0.01)

Revenue and gross profit

Revenue increased by $4.0 million or 85% in Q3 2022 compared to Q3 2021. The increase is the result of organic growth in the Futbol Sites business and the impact of the Company's acquisitions since September 30, 2021.

During the nine months ended September 30, 2022, revenue increased by $13.8 million or 176% due mainly to the above noted acquisitions. Prior to the acquisition of Futbol Sites on April 1, 2021, the Company had no operating entities and no revenue.

Gross profit increased by $3.5 million or 78% in Q3 2022 compared to Q3 2021 – and by $12.0 million or 163% in the nine months ended September 30, 2022 compared to the prior year – as a result of the Company's acquisitions noted above.

Costs of sales impacting gross profit includes the merchandise cost of inventory sold through e-commerce stores, syndication publisher costs and cost to develop our technology services.

Operating Expenses

In 000s	Three Months Ended Sept 30		Nine Months Ended Sept 30	
	2022	**2021**	**2022**	**2021**
Salary and wages	$ 3,729	$ 1,699	$ 10,047	$ 2,903
Advertising, commissions and fees	1,923	913	3,601	1,686
Web services and publishing	362	181	854	295
General and administration	373	177	1,305	331
Professional fees	212	200	906	425
Stock-based compensation	332	213	917	330
Depreciation and amortization	1,394	69	3,459	85
Total operating expenses	$ **8,325**	$ **3,452**	$ **21,089**	$ **6,055**

Salary and wages consist of the salaries, benefits and bonuses, along with the wages paid to independent contractors. Advertising, commissions and fees consists primarily of paid advertising expenses focused on user acquisition. Web services and publishing mainly includes the cost of hosting and other technology costs required to maintain the Company's sites. General and administration costs consist of rent, insurance, and other general and office expenses. Professional fees are primarily corporate activities and are comprised of legal, audit, tax, accounting and other consulting fees. Depreciation and amortization relate to the depreciation on the Company's fixed and intangible assets.

In all cases, these expenses increased in 2022 compared to 2021 due mainly to the acquisitions made during 2021.

Share-based compensation expense recorded during 2022 relates primarily to options and RSUs awarded to employees pursuant to the Company's equity incentive plan.

Net loss

In 000s	Three Months Ended Sept 30		Nine Months Ended Sept 30	
	2022	**2021**	**2022**	**2021**
Operating (loss) income	$ **(364)**	$ **1,017**	$ **(1,729)**	$ **1,308**
Transaction costs	(1,141)	(353)	(1,890)	(581)
Interest expense	(456)	(12)	(560)	(119)
Listing and filing fees	7	(84)	(4)	(1,818)
Other income	13	10	25	14
Other expenses	(21)	(15)	(93)	(18)
Change in fair value on contingent consideration	(27)	-	(1,924)	-
Foreign exchange (loss) gain	(407)	330	(684)	669
Net (loss) income before taxes	**(2,396)**	**893**	**(6,859)**	**(545)**
Net (loss) income	**(2,452)**	**893**	**(6,964)**	**(565)**

The Company produced an operating loss of $0.4 million for Q3 2022 compared to operating income of $1.0 million for Q3 2021, a decrease of $1.4 million, and during the nine months ended September 30, 2022, the Company produced an operating loss of $1.7 million compared to operating income of $1.3 million in 2021. In both cases, the year-over-year change is primarily due to increased amortization of our acquired intangible assets.

During the three and nine months ended September 30, 2022, our operating segments produced operating income of $0.9 million and $2.4 million, respectively, offset by an operating loss of $1.3 million and $4.2 million, respectively in our corporate segment.

During the three and nine months ended September 30, 2022, the differences between the Company's consolidated operating loss and its net loss were primarily the result of the following factors:

- The Company incurred transaction costs of $1.1 million and $1.9 million, respectively, related to acquisitions and to the closing of the Company's credit facilities.
- The Company recognized less than $0.1 million and $1.9 million, respectively, in non-cash expense relating to the increase in fair value of contingent consideration associated with our acquisitions. This increase was mainly a reflection of the fact that the Company's acquired businesses continue to exhibit strong performance relative to earn-out targets – and as a result, the fair value of earn-out liabilities on the Company's balance sheet have increased since the acquisition dates.
- The Company incurred interest expense of $0.5 million and $0.6 million, respectively.
- The Company recognized foreign exchange losses of $0.4 million and $0.7 million, respectively.

Quarterly Results of Operations

In $000s, except per share information	**Revenue**	**Net (loss) income**	**Net (loss) income per share – basic and diluted**
Q3 2022	$ 8,812	$ (2,452)	$ (0.01)
Q2 2022	6,978	(1,113)	(0.01)
Q1 2022	5,817	(3,399)	(0.02)
Q4 2021	7,005	(2,977)	(0.01)
Q3 2021	4,776	893	-
Q2 2021	3,039	(1,121)	(0.01)
Q1 2021	-	(339)	(0.01)
Q4 2020	-	(102)	(0.01)

On April 1, 2021, the Company acquired Futbol Sites. Prior to that acquisition, the Company had no operating activities. Accordingly, there was no revenue recognized prior to the second quarter of 2021 and only small amounts of expenses recorded in those quarters.

Since the second quarter of 2021, revenue has grown steadily due to organic growth in existing assets and acquisitions of new companies over the course of the year.

Reconciliation of Adjusted EBITDA

The following table reconciles Adjusted EBITDA to net loss:

In 000s	Three Months Ended Sept 30		Nine Months Ended Sept 30	
	2022	**2021**	**2022**	**2021**
Adjusted EBITDA	**$ 2,257**	**$ 1,978**	**$ 5,758**	**$ 2,900**
Operating loss of the Corporate segment	(1,254)	(951)	(4,154)	(1,572)
Depreciation and amortization of operating segments	(1,367)	(10)	(3,333)	(20)
Listing and filing fees	7	(84)	(4)	(1,818)
Transaction costs	(1,141)	(353)	(1,890)	(581)
Interest expense	(456)	(12)	(560)	(119)
Other income	13	10	25	14
Other expenses	(21)	(15)	(93)	(18)
Change in FV on contingent consideration	(27)	-	(1,924)	-
Foreign exchange loss (gain)	(407)	330	(684)	669
Taxes	(56)	-	(105)	(20)
Net loss	**$ (2,452)**	**$ 893**	**$ (6,964)**	**$ (565)**

Liquidity

The following table is selected information from the Company's financial position as at the indicated dates:

In 000s	**September 30, 2022**	**December 31, 2021**
Cash	$ 14,044	$ 7,112
Current assets	21,483	11,960
Intangible assets	49,410	45,808
Goodwill	27,630	28,393
Total assets	100,318	87,828
Current liabilities	18,781	16,385
Total deferred consideration	2,064	4,194
Total contingent consideration	16,124	19,312
Total long-term debt	5,122	47
Convertible debenture	15,000	-
Total liabilities	46,660	31,771
Net working capital surplus (deficiency)	$ 2,702	$ (4,425)

The Company's objective in managing liquidity risk is to maintain sufficient liquidity to meet operational needs and maintain an ability to continue investing in its business and assets. The Company intends to acquire companies and assets that are profitable or that have a clear path to profitability. The Company has historically financed these endeavours through the issuance of share capital. During 2022, the Company closed a $15.0 million credit facility with a Canadian Tier 1 Bank and closed another $20.0 million Convertible Facility with Beedie Capital – taking an initial advance of $15.0 million – to further expand its available liquidity.

As at September 30, 2022, the Company had cash of $14.0 million (December 31, 2021: $7.1 million) and a working capital surplus of $2.7 million (December 31, 2021: working capital deficit of $4.4 million). The Company's working capital surplus was driven mainly by the closing of the initial advance of $15.0 million from Beedie Capital and was primarily offset by the current portion of purchase consideration payable in connection with acquisitions made by the Company, including contingent or earn-out consideration, which had a fair value of $14.0 million at September 30, 2022. The Company's earn-outs include profitability targets; therefore, the acquired companies would need to produce positive aEBITDA before the payment date in order for the liabilities to become payable. The Company has the option to settle approximately 44% of the remaining contingent consideration – and approximately 43% of the current portion of contingent consideration – with shares instead of cash.

Additionally, the Company produces positive operating income from operating segments that contributes to its working capital each quarter. During the three and nine months ended September 30, 2022, the Company's operating segments produced operating income of $0.9 million and $2.4 million, respectively and aEBITDA of $2.3 million and $5.8 million, respectively.

The $15.0 million credit facility with a Canadian Tier 1 Bank and $20.0 million Convertible Facility with Beedie Capital noted above further strengthen the balance sheet and provide additional flexibility for the Company to continue the pursuit of its strategic goals.

Cashflow

In 000s	**Three Months Ended Sept 30**		**Nine Months Ended Sept 30**	
	2022	**2021**	**2022**	**2021**
Cashflows (used in)/from operations	(1,655)	300	(2,431)	(533)
Cashflows used in investing	(1,172)	(10,081)	(10,823)	(16,304)
Cashflows from /(used in) financing	14,186	(98)	20,140	24,046
Foreign exchange impact	207	(277)	47	(483)

During the nine months ended September 30, 2022, the Company's cash and cash equivalents increased by $6.9 million, which can be attributed to the following:

- Cash flows used in operations of $2.4 million (2021: $0.5 million). Those cash outflows were primarily driven $5.8M of aEBITDA, offset by our Corporate segment operating expenses, $1.9M of transaction costs, and $0.6M of interest expenses. The Company also had a $2.5M net change in non-cash working capital driven primarily by the fact that the quarter-end accounts receivable balance has grown as the Company's revenues have grown. In 2021 the cash outflows were related to settlement of corporate head office costs due to the fact that we had limited operating results as we only acquired Futbol Sites on April 1, 2021.
- Cash flows used in investing activities of $10.8 million (2021: $16.3 million) included $7.5 million for the settlement of consideration amounts arising from acquisitions, and $3.0 million for the acquisitions of The Sports Drop ($1.2 million), Futmarketing ($0.9 million), and various smaller asset acquisitions ($0.9 million). In 2021, the cash was used primarily for the acquisitions of Futbol Sites ($6.2 million), YB Media ($9.0 million), Two-Up ($0.7 million) and various smaller asset acquisitions ($0.3 million), partially offset by $0.2 million of cash acquired from our reverse takeover.
- Cash flows provided by financing activities of $20.1 million (2021: $24.0 million). In 2022, the Company received $21.4 million from its credit facilities and $0.2 million related to the exercise of warrants, offset by $1.3 million in credit facility repayments and $0.1 million in cash paid in relation to office leases. In 2021, the Company had completed its go-public raise for net proceeds of $18.8M and preferred share issuance for net proceeds of $5.4 million.
- An increase of less than $0.1 million (2021: a decrease of $0.5 million) arising from the impact of foreign exchange on cash.

Capital Resources

At September 30, 2022, the Company's capital resources consisted primarily of cash and accounts receivable.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Commitments

The following is a schedule which summarizes our undiscounted lease payment commitments:

Less than 1 year	$	187,688
1 to 2 years		163,748
2 to 3 years		162,800
3 to 4 years		132,451
4 to 5 years		4,658
5 and more years	$	-

Transactions with Related Parties

Transactions with related parties are incurred in the normal course of business and initially recorded at fair value.

During the three and nine months ended September 30, 2022, the Company incurred $266,111 and $785,353, respectively (2021: $203,792 and $319,158, respectively) in share-based compensation expense associated to executives and board members of the Company (Jordan Gnat, Jake Cassaday, Michael Cooke, Maryann Turcke, Sebastian Siseles, Mark Trachuk, Mark Harrison, Sara Slane and John Albright).

During the three and nine months ended September 30, 2022, the Company incurred $353,059 and $1,008,672, respectively (2021: $255,156 and $478,584, respectively) in salary and wages expense associated to executives of the Company (Jordan Gnat, Jake Cassaday, Michael Cooke and Federico Grinberg).

During the three and nine months ended September 30, 2022, the Company incurred expenses of $nil and $838, respectively (2021: $nil and $4,013, respectively) which were paid for by Relay Ventures Canada Inc., an affiliate of a shareholder (Relay Ventures Fund III) and reimbursed by the Company.

During the three and nine months ended September 30, 2022, the Company incurred professional fees of $28,488 and $57,094, respectively (2021: $11,546 and $15,121, respectively), which were paid to a member of the board (Sebastian Siseles) for services performed. During the three and nine months ended September 30, 2021, the Company incurred professional fees of $nil and $93,734, which were paid to an executive (Jordan Gnat) of the Company for services provided prior to becoming a full-time employee. During the three and nine months ended September 30, 2022, the Company incurred professional fees of $6,100, which were paid to a company controlled by a member of the board (Mark Harrison) for services performed.

An executive of the Company (Federico Grinberg) has the opportunity to receive 27% (his proportionate share) of the deferred consideration as well as the contingent consideration associated with the acquisition of Futbol Sites.

Financial Instruments

The Company, as part of its operations, carries financial instruments consisting of cash and cash equivalents, accounts receivable, income tax receivable, accounts payable, accrued expenses and other current liabilities, due to related parties, long-term debt, deferred consideration and contingent consideration.

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.

The carrying amount of cash and cash equivalents, accounts receivable, income tax receivable, accounts payable, accrued expenses and other current liabilities, and due to related parties approximates their fair value due to the short-term maturities of these items. The fair value of deferred consideration, contingent consideration and convertible debenture are determined using valuation techniques that are not observable.

Outstanding Share Data

The Company is authorized to issue an unlimited number of Common Shares. As of the date of this MD&A, the Company has 226,438,061 Common Shares outstanding. The Company also has 8,375,000 stock options, 2,551,771 restricted share units and 1,526,320 broker warrants issued and outstanding.

Risk Factors

For a detailed description of risk factors associated with the Company, refer to the section titled “Risk Factors” contained in the Company’s annual information form dated March 23, 2022 for the year ended December 31, 2021, which is available on SEDAR at www.sedar.com. Unless otherwise noted, it is management’s opinion that the Company is not exposed to significant interest or credit risk.

The Company’s risk exposure and the manner in which such exposure is managed is as follows:

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations with cash and/or stock. The Company is expected to be able to satisfy its obligations in the near term with its cash balances and/or the issuance of stock. As at September 30, 2022, the Company had a working capital surplus of $2.7 million (December 31, 2021: working capital deficit of $4.4 million). Accordingly, the Company believes that it has limited liquidity risk.

Critical Accounting Estimates

The Company's significant accounting estimates and assumptions are summarized in Note 4 to the consolidated annual financial statements for the year ended December 31, 2021.

Significant Accounting Policies

The Company's significant accounting policies are summarized in Note 3 to the consolidated annual financial statements for the year ended December 31, 2021.

Changes in Accounting Policies

There are no new standards issued by the IASB that were not effective at September 30, 2022 that are expected to have a significant impact on the Company.