OverActive Media Corp.

Management's Discussion and Analysis

For the Three and Six Months Ended June 30, 2021 and 2020

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MANAGEMENT'S DISCUSSION AND ANALYSIS

The following has been prepared for the purposes of providing management's discussion and analysis ("MD&A") of the consolidated financial position and results of OverActive Media Corp. ("we" or the "Company"). The following information should be read in conjunction with the Company's interim consolidated financial statements for the three and six months ended June 30, 2021 and 2020 and the notes to those financial statements, which have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting, as issued by the International Accounting Standards Board (IASB); the 2020 Annual MD&A; the 2020 Annual Audited Consolidated Financial Statements and notes thereto, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the IASB.

This MD&A is dated August 13, 2021, and was prepared with information available at that date. All dollar amounts are stated in thousands of Canadian Dollars and all figures are presented in thousands unless otherwise indicated.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation ("forward-looking information"). Such forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date the statements were made, and readers are advised to consider such forward-looking statements in light of the risks set forth below and as detailed under "Risks and Uncertainties" in this MD&A.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein is given as of the date of this MD&A and the Company disclaims any obligation to update any forward-looking information, whether as a result of new information, future events or results, except as may be required by applicable securities laws. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.

BUSINESS OVERVIEW

The Company is active in the global sports, media and entertainment industry delivering media and entertainment products to today's generation of fans. The Company owns franchises in many of the most important leagues in the world, including the Call of Duty League, the Overwatch League, the League of Legends European Championship, the LVP Superliga, and is a founding shareholder of B Site Inc., an entity owned by team organizations for the purpose of collaborating in esports leagues and tournaments, including Flashpoint, the first team-owned CS:GO league. The Company also operates OverActive Live, a live event business unit offering planning, competition programming, production and broadcast services to teams, leagues and organizations around the world for in person and online events.

Recent developments

Reverse takeover

On July 9, 2021, the Company completed its Qualifying Transaction (as defined in TSXV Policy 2.4) with Abigail Capital Corporation, now called OverActive Media Corp (the "Resulting Issuer"). Subsequent to the Qualifying Transaction, the Company has become a wholly owned subsidiary of the Resulting Issuer, OverActive Media Corp. The Company received final TSXV approval for the transaction and the Resulting Issuer has become publicly traded on the TSXV under the ticker "OAM".

Financings

On March 26, 2021, the Company issued a total of 6,848 common shares at an offering price of $2.25 per common share and private placement offering basis for aggregate gross proceeds of $15,407. On April 9, 2021, the Company completed a subsequent closing of the Non-Brokered Financing, in connection with the Brokered Financing by issuing an additional 645 common shares at a price of $2.25 per share for additional aggregate gross proceeds of $1,451. Total transaction costs incurred were $150.

On March 26, 2021, the Company completed an initial closing of a brokered private placement led by the Company's agents (the "Brokered Financing") by issuing 10,119 Subscription Receipts (each a "Subscription Receipt") at a price of $2.25 per Subscription Receipt (the "Issue Price") for aggregate gross proceeds of $22,768. On April 9, 2021, the Company completed a subsequent closing of the Brokered Financing by issuing an additional 118 Subscription Receipts for additional aggregate gross proceeds of

$266. Upon satisfaction of certain conditions, immediately prior to the closing of the transaction, each Subscription Receipt was automatically converted into one common share of the Company (a “Company Share”) which was immediately exchanged for one common share of the post-amalgamation public entity (the “Resulting Issuer”), in each case without any further consideration or action by the holder thereof. In connection with the completion of the Qualifying Transaction, the Company has received all funds in connection to the Brokered Financing, net of transaction costs incurred.

COVID-19 pandemic

The COVID-19 pandemic has caused significant financial market and social dislocation globally as cities and countries respond in various ways to address the outbreak. Although the pandemic has created uncertainty during this period, videogaming trends have been positively impacted with viewership and player engagement generally increasing.

While there are currently no active agreements in place for live events to be held or operated by the Company, there are ongoing discussions and interest remains high for live events to resume once the pandemic subsides. The Company continued to produce and deliver online and virtual events. The Company will continue to monitor the pandemic situation and continuously assess any potential further impact on its operations. It is not clear what the impact of a prolonged pandemic would be on the Company’s business.

NON-IFRS FINANCIAL MEASURES

This MD&A includes references to adjusted EBITDA. Adjusted EBITDA is a non-IFRS financial measure and is defined by the Company as net income or loss before income taxes, finance costs, depreciation and amortization, decrease in net present value of franchise obligations, foreign exchange gains / loss, assistance payments from Franchise League and government assistance, restructuring costs, impairment charges and share-based compensation. We believe that adjusted EBITDA is a useful measure of financial performance because it provides an indication of the Company’s ability to capitalize on growth opportunities in a cost-effective manner, finance its ongoing operations and service its financial obligations.

This non-IFRS financial measure is not an earnings or cash flow measure recognized by IFRS and does not have a standardized meaning prescribed by IFRS. Our method of calculating such a financial measure may differ from the methods used by other issuers and, accordingly, our definition of this non-IFRS financial measure may not be comparable to similar measures presented by other issuers. Investors are cautioned that non-IFRS financial measures should not be construed as an alternative to net income determined in accordance with IFRS as indicators of our performance or to cash flows from operating activities as measures of liquidity and cash flows.

QUARTERLY HIGHLIGHTS

- Revenue increased to $2,104 for the three month period ended June 30, 2021, compared to $1,227 in 2020.
- Net loss for the period was $4,425 for the three month period ended June 30, 2021, compared to a net loss for the period of $3,037 in 2020.
- Adjusted EBITDA was ($1,851) for the three month period ended June 30, 2021, compared to ($2,561) in 2020.

SELECTED QUARTERLY FINANCIAL INFORMATION

The selected financial information below was derived from the Company's unaudited condensed consolidated interim financial statements for the three months ended June 30, 2021 and 2020.

	Three months ended	
	June 30, 2021	June 30, 2020
(In thousands of Canadian dollars, except per share amount, unaudited)		
Revenue	**$2,104**	**$1,227**
Operating costs	**4,104**	**3,246**
Loss before the undernoted	**(2,000)**	**(2,019)**
Depreciation	299	110
Amortization	85	243
Foreign exchange (gain) loss	(290)	(1,689)
Decrease in net present value of franchise obligations	-	(324)
Finance cost	1,343	2,124
Share-based compensation	1,376	379

Other income	(149)	(25)
Loss before income taxes	(4,664)	(2,837)
Income tax (recovery) expense	(239)	200
Net loss for the period	**(4,425)**	**(3,037)**
Other comprehensive income (loss):		
Foreign currency translation	(55)	(716)
Comprehensive loss for the period	**(4,480)**	**(3,753)**
Loss per share:		
Basic and Diluted	**(0.07)**	**(0.06)**
Adjusted EBITDA[1]	**($1,851)**	**($2,561)**
Revenue by segment:		
Team Operations	656	892
Business Operations	1,448	335
(Loss) income before income taxes by segment:		
Team Operations	(2,961)	(3,218)
Business Operations	(1,703)	381

The selected financial information below was derived from the Company's unaudited condensed consolidated interim financial statements for the six months ended June 30, 2021 and 2020.

[1] Adjusted EBITDA is a non-IFRS measure. Refer to "Non-IFRS Measures" and "Reconciliation of Net Loss to Adjusted EBITDA".

(In thousands of Canadian dollars, except per share amount, unaudited)	Six months ended June 30, 2021	Six months ended June 30, 2020
Revenue	**$3,402**	**$2,179**
Operating costs	**8,515**	**8,360**
Loss before the undernoted	**(5,113)**	**(6,181)**
Depreciation	597	266
Amortization	512	403
Foreign exchange (gain) loss	(691)	2,863
Decrease in net present value of franchise obligations	-	(324)
Finance cost	2,333	4,225
Share-based compensation	1,657	702
Other income	(831)	(51)
Loss before income taxes	(8,690)	(14,265)
Income tax (recovery) expense	(480)	2,054
Net loss for the period	**(8,210)**	**(16,319)**
Other comprehensive income (loss):		
Foreign currency translation	(1,535)	(148)
Comprehensive loss for the period	**(9,745)**	**(16,467)**
Loss per share:		
Basic and Diluted	**(0.14)**	**(0.31)**
Adjusted EBITDA[2]	**($4,282)**	**($6,678)**
Revenue by segment:		

[2] Adjusted EBITDA is a non-IFRS measure. Refer to “Non-IFRS Measures” and “Reconciliation of Net Loss to Adjusted EBITDA”.

Team Operations	735	1,212
Business Operations	2,667	967
Loss before income taxes by segment:		
Team Operations	(5,573)	(7,676)
Business Operations	(3,117)	(6,589)

(In thousands of Canadian dollars, unaudited)	June 30, 2021	December 31, 2020
Balance Sheet Summary:		
Total assets	123,396	115,287
Total liabilities	53,739	54,005

RECONCILIATION OF NET LOSS TO ADJUSTED EBITDA

The following table presents a reconciliation of net loss to adjusted EBITDA for the three months ended June 30, 2021 and 2020:

	Three months ended	
	June 30, 2021	June 30, 2020
(In thousands of Canadian dollars)	$	$
Net loss for the period	(4,425)	(3,037)
Income tax (recovery) expense	(239)	200
Depreciation	299	110
Amortization	85	243
Decrease in net present value of franchise obligations	-	(324)
Finance cost	1,343	2,124
Foreign exchange gain	(290)	(1,689)
Payroll subsidies	-	(680)
Share-based compensation	1,376	379
Restructuring costs	-	113
Adjusted EBITDA	**(1,851)**	**(2,561)**

The following table presents a reconciliation of net loss to adjusted EBITDA for the six months ended June 30, 2021 and 2020:

	Six months ended	
	June 30, 2021	June 30, 2020
(In thousands of Canadian dollars)	$	$
Net loss for the period	(8,210)	(16,319)
Income tax (recovery) expense	(480)	2,054
Depreciation	597	266
Amortization	512	403

Decrease in net present value of franchise obligations	-	(324)
Finance cost	2,333	4,225
Foreign exchange (gain) loss	(691)	2,863
Payroll subsidies	-	(680)
Share-based compensation	1,657	702
Restructuring costs	-	132
Adjusted EBITDA	**(4,282)**	**(6,678)**

RESULTS OF OPERATIONS

Revenues

For the three months ended June 30, 2021, revenues amounted to $2,104 as compared to $1,227 for the three months ended June 30, 2020, representing an increase of $877.

Revenues for our Team Operations segment decreased by $236 to $656 for the three months ended June 30, 2021, as compared to $892 for the same period in 2020. The decrease was primarily due to higher prize winnings in the comparative period resulting from competitive play.

Revenues for our Business Operations segment increased by $1,113 to $1,448 for the three months ended June 30, 2021, as compared to $335 for the same period in 2020. The increase was primarily due to higher sponsorship revenues from new sponsors signed in the period including Bud Light and TD Bank in the period.

For the six months ended June 30, 2021, revenues amounted to $3,402 as compared to $2,179 for the six months ended June 30, 2020, representing an increase of $1,223.

Revenues for our Team Operations segment decreased by $477 to $735 for the six months ended June 30, 2021, as compared to $1,212 for the same period in 2020. The decrease was primarily due to higher prize winnings in the comparative period resulting from competitive play.

Revenues for our Business Operations segment increased by $1,700 to $2,667 for the six months ended June 30, 2021, as compared to $967 for the same period in 2020. The increase was primarily due to higher sponsorship revenues from new sponsors signed in the period including EPOS, AOC, Razer, Jack Link's, SEAT, GLS, Red Bull, Bud Light and TD Bank in the period.

Operating costs

For the three months ended June 30, 2021, operating costs amounted to $4,104 as compared to $3,246 for the three months ended June 30, 2020, representing an increase of $858. The increase in operating costs was primarily due to payroll subsidies received in the comparative period as well as increases in roster and team payroll for players and coaches in their second and third years of multi-year contracts. This increase was partially offset by a decrease in restructuring costs which were only incurred in the comparative period.

For the six months ended June 30, 2021, operating costs amounted to $8,515 as compared to $8,360 for the six months ended June 30, 2020, representing an increase of $155. The increase in operating costs was primarily due to payroll subsidies received in the comparative period. The increase was partially offset by a decrease in restructuring costs which were only incurred in the comparative period, as well as savings in team operations expenses from decreased travel-related costs in early 2021.

Net loss

For the three months ended June 30, 2021, net loss after income taxes amounted to $4,425 after deducting a non-cash income tax recovery of $239 from net loss before income taxes, as compared to a net loss after income taxes of $3,037 for the three months ended June 30, 2020 after deducting a non-cash income tax expense of $200; representing an increase in net loss of $1,388.

The increase in net loss is a result of higher revenues of $877 over the prior period offset by higher operating costs of $858 over the prior period. In addition to the above, the variances in non-operating costs contributed to the overall movement from prior period:

- Increased depreciation and amortization of $31;
- Decreased foreign exchange gain of $1,399 resulting from unfavorable fluctuations in foreign exchange rates;

- Decreased decrease in net present value of franchise obligations of $324 resulting from decreases in net present value of franchise obligations recognized over the course of 2020;
- Decreased finance costs of $781 resulting from the aforementioned decreases in net present value of franchise obligations recognized over the course of 2020;
- Increased share-based compensation of $997, resulting primarily from grants made in the period, and;
- Increased other income of $124.

For the six months ended June 30, 2021, net loss after income taxes amounted to $8,210 after deducting a non-cash income tax recovery of $480 from net loss before income taxes, as compared to a net loss after income taxes of $16,319 for the six months ended June 30, 2020 after deducting an income tax expense of $2,054; representing an increase of $8,109.

The improvement in net loss is a result of higher revenues of $1,223 over the prior period offset by operating costs of $155 over the prior period, In addition to the above, the variances in non-operating costs contributed to the overall movement from prior period:

- Increased depreciation and amortization of $440; resulting from the timing of leases entered in the comparative period;
- Increased foreign exchange gain of $3,554 resulting from favorable fluctuations in foreign exchange rates;
- Decreased decrease in net present value of franchise obligations of $324 resulting from decreases in net present value of franchise obligations recognized in the comparative period;
- Decreased finance costs of $1,892 resulting from the aforementioned decreases in net present value of franchise obligations recognized over the course of 2020;
- Increased share-based compensation of $955, resulting primarily from grants made in the period, and;

  Increased other income of $780, resulting primarily from the sale of certain player contracts during the period.

LIQUIDITY AND CAPITAL RESOURCES

Capital management

The Company’s objective in managing its capital is to ensure sufficient liquidity to finance its operations, maximize the preservation of capital and deliver competitive returns on invested capital. To fund its activities until the end of 2022, the Company will rely on the proceeds of the Financings and funds generated from ongoing operations. The Company manages its excess cash to ensure that it has sufficient reserves to fund its operations and capital expenditures.

The Company's liquidity and capital resources as at June 30, 2021 and 2020 were as follows:

	June 30, 2021	December 31, 2020
(In thousands of Canadian dollars)	$	$
Cash and cash equivalents	15,660	5,585
Total current assets	20,542	10,197
Total current liabilities	11,981	11,890
Working capital	8,561	(1,693)
Total assets	123,396	115,287
Total liabilities	53,739	54,005

Cash flows

	June 30, 2021	June 30, 2020
(In thousands of Canadian dollars)	$	$
Cash flow used in operating activities	(6,121)	(6,480)
Cash flow from financing activities	17,264	4,630
Cash flow used in investing activities	(814)	(3,256)
Increase (decrease) in cash and cash equivalents	10,329	(5,106)
Cash and cash equivalents, beginning of period	5,585	10,208
Effect of exchange rate changes on cash and cash equivalents	(254)	45
Cash and cash equivalents, end of period	15,660	5,147

RISK MANAGEMENT

In the normal course of business, the Company is exposed to a number of risks that can affect its operating performance. Certain of these risks and the actions taken to manage them are discussed below.

Foreign currency risk:

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company does not use derivative instruments to reduce its exposure to foreign currency risk.

During the period, the Company recognized a foreign exchange gain of $691 (six months ended June 30, 2020 - loss of $2,863) primarily due to the appreciation/depreciation of the Canadian dollar relative to the U.S. dollar. The summary quantitative data about the Company's material exposure to currency risk is as follows:

USD	June 30, 2021	December 31, 2020
Cash	$ 2,377	$ 767
Receivables	202	285
Payables	(18,610)	(17,346)
Net consolidated statement of financial position exposure	$ (16,031)	(16,294)

EUR	June 30, 2021	December 31, 2020
Cash	$ 88	60
Receivables	814	566
Payables	(3,910)	(3,536)
Net consolidated statement of financial position exposure	$ (3,008)	(2,910)

Credit risk:

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the Company. The Company does not provide any guarantees which would expose the Company to credit risk.

The credit risk on cash is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies. Trade receivables consist of customers, spread across diverse industries. For the six months ended June 30, 2021, two major customers each representing more than 10%

of consolidated revenues, in aggregate make up 9% of trade receivables as at June 30, 2021 (27% of trade receivables as at December 31, 2020). Ongoing credit evaluation is performed on the financial condition of trade receivables. The Company has not recognized an allowance for doubtful accounts in 2021 or 2020 based on its ongoing evaluation of the credit risk for uncollected receivables.

At June 30, 2021, the aging of trade receivables that were not impaired were as follows:

	June 30, 2021	December 31, 2020
Neither past due nor impaired	$ 1,311	$ 967
Past due 1-30 days	752	286
Past due 31-90 days	126	28
Past due > 90 days	61	639
	$ 2,250	$ 1,920

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on the credit worthiness of these customers and evaluation of customer credit risk.

Liquidity risk:

Liquidity risk refers to the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Company manages liquidity risk by maintaining adequate cash balances and by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The following table provides details of the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

	Carrying amount	Contractual cash flows	On demand	Less than 1 year	1 to 2 years	> 2 years
Trade payable and accrued liabilities	$ 2,117	$ 2,117	$ –	$ 2,117	$ –	$ –
Notes payable	576	576	–	576	–	–
Payable related to franchise assets	27,574	44,186	–	3,674	13,120	27,392
Lease liabilities	2,381	2,695	–	1,033	901	761
Long-term debt	618	713	–	190	190	333
Total	$ 33,266	$ 50,287	$ –	$ 7,590	$ 14,211	$ 28,486

OFF BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-Balance Sheet arrangements.

CONTINGENCIES

Contingencies:

There exist certain other claims and potential claims against the Company, including certain OWL revenue-sharing valuations, sale and purchase agreement holdbacks and commodity tax liabilities, none of which is expected to have a material adverse effect on the financial position of the Company. A provision is recognized if there is a probable outflow of resources and the amount can be estimated reliably.

DIVIDEND POLICY

The Company's current policy is to retain future earnings to finance its growth. Any future determination to pay dividends will be made at the discretion of the Company's Board of Directors and will depend on the Company's financial condition, results of operations, capital requirements and other such factors as the Board of Directors may deem relevant.

SEASONALITY

The Company's financial results generally vary from quarter to quarter as a result of changes in general economic conditions and seasonal fluctuations, among other things, in each of the reportable segments. The majority of the Company's revenue in the Team Operations segment is expected to be related to our franchises receiving a share of the revenue from the associated leagues, which is typically recognized by the Company subsequent to the completion of the season and as amounts can become reasonably estimated or communicated by the Franchise Leagues, typically in the third and fourth fiscal quarters. Prize money is less predictable and the timing of such revenues would be related to the timing of tournaments and success of the teams, typically in the second and third fiscal quarters. However, revenues related to sponsorships and partnerships, and merchandise are more evenly earned and recognized through the year. Revenues related to live events and ticket admission sales are earned as those events are delivered.

STOCK-BASED COMPENSATION

On October 5, 2018, the Company created a stock option plan for its key employees, officers, directors and consultants (the "Plan"). The purpose of the Plan is to assist the Company in attracting, retaining key employees, officers, directors, and consultants who will contribute to the Company's long-term success by providing them incentives that align their interests with those of the shareholders of the Company.

The plan provides for the granting of stock options to purchase common shares of the Company. Options are generally subject to service vesting schedule of three years and expire ten years from the grant date. Under the plan, a maximum pool of 10% of the common shares outstanding have been reserved for issuance.

A summary of the status of the Plan as at June 30, 2021 and 2020 is presented below:

	June 30, 2021		December 31, 2020	
	Number of options (000s)	Weighted average exercise price	Number of options (000s)	Weighted average exercise price
Beginning of period - options outstanding	2,926	$ 1.76	3,216	$ 1.82
Granted	3,590	2.25	110	3.60
Exercised	–	–	–	–
Forfeited	–	–	(400)	2.66
Balance, end of period	6,516	$ 2.03	2,926	$ 1.76
Exercisable, end of period	1,783	$ 1.50	1,494	$ 1.47

On April 9, 2021, the Company issued 3,590 in options to key employees, directors, officers and consultants. The Company used the Black-Scholes-Merton formula to estimate the grant date fair value of options granted during the period based on the following inputs:

	June 30, 2021	December 31, 2020
Weighted average fair value	$1.81	$2.74
Weighted average share price at grant date	$2.25	$3.60
Expected volatility	104%	101%
Expected option life	6.00 years	5.51 years
Expected dividend	0%	0%
Risk-free interest rate (based on government bonds)	1.53%	0.70%

For the three months ended June 30, 2021, the Company recorded share-based compensation of $1,376 (three months ended June 30, 2020 - $379). Included within share-based compensation for the three months ended June 30, 2021 is $119 (June 30, 2020 - $120) for services received from third parties in exchange for equity consideration.

For the six months ended June 30, 2021, the Company recorded share-based compensation of $1,657 (six months ended June 30, 2020 - $702). Included within share-based compensation for the six months ended June 30, 2021 is $245 (June 30, 2020 - $242) for services received from third parties in exchange for equity consideration.

Unrecognized stock-based compensation expense related to stock option plans was $6,452 as at June 30, 2021 (December 31, 2020 - $1,365) and will be recognized in net income over the remainder of their respective vesting periods.

The Company paid nil to holders of stock options, as none were exercised in the period.

OUTSTANDING SHARE DATA

The Company has 80,251 Common Shares, 6,477 stock options, and 646 warrants outstanding as of the date of this MD&A.

On July 9, 2021, the Company completed its Qualifying Transaction (as defined in TSXV Policy 2.4) with Abigail Capital Corporation, now called OverActive Media Corp (the “Resulting Issuer”). Subsequent to the Qualifying Transaction, the Company has become a wholly owned subsidiary of the Resulting Issuer, OverActive Media Corp. The Company received final TSXV approval for the transaction and the Resulting issuer has become publicly traded on the TSXV under the ticker “OAM”.

In connection with the Brokered Financing, the Company issued to the Agents a total of 614 broker warrants. Each broker warrant will entitle the holder thereof to purchase one Company Share at a price of $2.25 per share for a period of 24 months from the completion of the Transaction. Subsequent to the Qualifying Transaction another 55 warrants were issued to Abigail Capital Corporation’s Agents, of which 23 were subsequently exercised.

In connection with the Company’s acquisition of Splyce, Inc, OverActive Limited Partnership, a limited partnership of which a subsidiary of the Company is the general partner and a limited partner, issued a total of 8,743 Class B exchangeable shares (“OAM LP Class B Units”) to the former stockholders of Splyce, Inc.

On April 27, 2021, all of the Class B exchangeable shares were exchanged for common shares, in accordance with their terms, on a 1:1 basis.

CRITICAL ESTIMATES AND JUDGEMENTS

Refer to the 2020 Annual MD&A and the 2020 annual audited consolidated financial statements and notes thereto for a discussion of the accounting policies and estimates that are critical to the understanding of the business operations and result of operations.

New accounting pronouncements

No accounting standards and amendments were effective for the interim and annual consolidated financial commencing January 1, 2021 that had a material impact on the financial results and no new standards or future amendments are expected to have any material impact at this time.

On March 11, 2020, the World Health Organization recognized the outbreak of COVID-19 as a pandemic and since then the Company has been closely monitoring related developments and the impact on the business. Due to the uncertainty surrounding the duration and potential outcomes of the COVID-19 pandemic, and the unpredictable and continuously changing impacts and related government responses, there is more uncertainty associated with the Company's assumptions, expectations, and estimates.

RISKS AND UNCERTAINTIES

Due to the nature of the Company's business, the legal and economic climate in which it operates and its present stage of development, the Company may be subject to significant risks. The Company's future development and operating results may be very different from those expected as at the date of this MD&A. Readers should carefully consider all such risks. In addition to those risks discussed under "Risk Management", risk factors relating to the Company include, but are not limited to, the following:

- the Company has a limited operating history;
- the Company's future revenues are uncertain;
- the Company has historical losses and negative operating cash flows;
- the Company cannot be certain that additional financing will be available on reasonable terms when required, or at all;

- the Company's business has been and will continue to be impacted by the on-going COVID-19 pandemic;
- the Company has grown and plans to continue to grow at a very rapid pace;
- the Company's business is substantially dependent on the continued popularity and/or competitive success of esports;
- the Company's reliance on publishers, leagues, sponsors and corporate partners;
- Risks associated with brand development and reputation;
- Dependence on key personnel;
- Risks associated with league and tournament participation;
- the Company's business model and use of technology;
- the Company's intellectual property may be subject to misappropriation;
- League rules and regulations may have a negative effect on the Company;
- the Company's business is highly competitive and competition presents an ongoing threat to the success of its business;
- the Company's esports decisions may have material negative effects on its business and results of operations;
- Injuries to, and illness of, players on the Company's esports teams could hinder its success;
- Risks associated with potential future acquisitions;
- International expansion and operations in foreign markets expose the Company to risks associated with international sales and operations;
- Risks relating to conflicts of interest and general business regulation, including privacy laws;
- the Company's management team has limited experience managing a public company, and regulatory compliance may divert its attention from the day-to-day management of its business
- The requirements of being a public company may strain the Company's resources, divert management's attention and affect its ability to attract and retain executive management and qualified board members;

- the Company cannot guarantee absolute protection against unauthorized attempts to access its IT systems;

- the Company cannot guarantee that it will be able to successfully develop its proposed entertainment facility in Toronto;

- The price of the securities of the Resulting Issuer may fluctuate significantly, which may make it difficult for holders of securities of the Resulting Issuer to sell their securities at a time or price they find attractive;

- the Company does not know whether an active, liquid and orderly trading market will develop for the securities of the Resulting Issuer or what the market price of the securities of the Resulting Issuer will be and as a result it may be difficult for investors to sell their securities of the Resulting Issuer;

- If research analysts do not publish research about the Company's business or if they issue unfavourable commentary or downgrade the C Resulting Issuer Shares, the Resulting Issuer y's stock price and trading volume could decline;

- the Company does not intend to pay dividends on the Resulting Issuer Shares for the foreseeable future;

- The market price of the Company Securities may decline due to the large number of outstanding common shares eligible for future sale;

- The Company may issue additional equity securities, or engage in other transactions that could dilute its book value or affect the priority of the Company Shares, which may adversely affect the market price of the Resulting Issuer Shares;

- The Company may invest or spend the proceeds of the Financing in ways with which investors may not agree or in ways which may not yield a return;

- Tax risks and uncertainties facing the Company;

- Investors may have Canadian and non-Canadian income tax consequences related to holding the Resulting Issuer Shares; and

- General risks and uncertainties arising out of adverse economic changes