MANAGEMENT'S DISCUSSION AND ANALYSIS

This MD&A should be read in conjunction with the audited consolidated financial statements of LEAF Mobile Inc. ("Leaf" or the "Company") for the year ended December 31, 2020 and the related notes, and our unaudited interim consolidated financial statements for the three and nine months ended September 30, 2021, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). LEAF's functional and reporting currency is the Canadian dollar and all amounts in this MD&A are expressed in Canadian dollars. This MD&A is dated November 15, 2021.

Prior to April 17, 2020, the Company (then named "Caprice Business Development Canada Inc.") was a "capital pool company" (as such term is defined under TSX Venture Exchange policies), and as such did not have any active business operations. As part of its qualifying transaction, completed on April 17, 2020, the Company acquired LDRLY (Technologies) Inc. ("LDRLY"), which was the Company's active business unit (the "Qualifying Transaction").

On February 5, 2021, the Company acquired Eastside Games Inc. (ESG) in a reverse takeover transaction. Note 4 of the unaudited interim consolidated financial statements for the three and nine months ended September 30, 2021 provides additional information on this acquisition. The audited financial statements of ESG for the year ended December 31, 2020 have been filed on SEDAR. *As ESG was the accounting acquirer of LEAF, for the nine months ended September 30, 2021, the financial information of ESG is presented as the continuing company, with Leaf's results included for the period from February 5 to September 30, 2021.*

CAUTION ON FORWARD-LOOKING STATEMENTS

This MD&A contains certain statements that may constitute "forward looking statements". Forward looking statements include, but are not limited to, the acquisitions of ESG and Truly Social Games, statements regarding future anticipated business developments and the timing thereof, and business and financing plans. No assurance can be given that such expectations will prove to be correct. Forward looking statements are typically identified by words such as: believe, expect, anticipate, intend, estimate, postulate and similar expressions, or which by their nature refer to future events. Forward looking statements are not guarantees of future performance, and actual results may differ materially from those in forward looking statements as a result of various factors, including, but not limited to, LEAF's ability to generate future revenues; competition; regulation; potential intellectual property issues; reliance on third party distributors; dependence on key executives; dependence on advertising revenue; potential requirement for further funding; IT security risks; potential conflicts of interest with proposed directors and officers; potential share price volatility; need to attract and retain qualified personnel; and ability to implement business strategies.

Although LEAF has attempted to identify important factors that could affect it, unknown events may cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements 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 statements. The forward-looking statements in this MD&A address only as of the date hereof. LEAF does not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unforeseen events other than as required by applicable law.

COVID-19 UPDATE

COVID-19 has had, and continues to have, a significant impact around the world, prompting governments and businesses to take unprecedented measures in response. Such measures have included restrictions on travel and business operations, temporary closures of businesses, and quarantine and shelter-in-place orders.

The Company continues to monitor the situation and take appropriate actions in accordance with the recommendations and requirements of relevant authorities. The extent to which the COVID-19 pandemic may impact the Company's operational and financial performance remains uncertain and will depend on many factors outside the Company's control, including the timing, extent, trajectory and duration of the pandemic, the emergence of new variants, the development, availability, distribution and effectiveness of vaccines and treatments, the imposition of protective public safety measures, and the impact of the pandemic on the global economy and demand for the Company's products.

Our workforce transitioned to remote working in March 2020, without any material disruption to our day-to-day operations to date. Currently, our offices remain closed and the safety of our employees is our primary goal.

COMPANY BACKGROUND & DESCRIPTION OF BUSINESS

LEAF is a free-to-play mobile game group, creating engaging games that produce enduring player loyalty. Our entrepreneurial culture is anchored in creativity, execution, and a focused growth strategy of games development and publishing of original and licensed IP games, licensing of our Game Kits, IdleKit and NFTKit technology platforms and a disciplined studio acquisition consolidation strategy. Headquartered in Vancouver the Company has over 170 employees and currently operates multiple virtual studios under the East Side Games and LDRLY Games banners. The Company develops, operates and publishes mobile games through its studio network and partners played on two main platforms: Apple's iOS and Google's Android.

We generate revenue through in-app purchases ("IAP") from the sale of in-game virtual items that enhance the game-playing experience, and through in-game advertising. Revenue growth will continue to depend on our ability to attract and retain players and effectively monetize our players. We intend to do this through the launch of new games, enhancements to current games and expansion into new markets and distribution platforms.

Year to date the company has not introduced any new titles and as of the third quarter, the Company published ten live mobile games, six of them from the ESG studio and the remainder with LDRLY. Our financial reporting structure will not report on individual titles to respect our partner non-disclosure agreements. We report on two categories of games, active and evergreen, as defined:

- "Active": Game Titles that have been launched world-wide with active investment in user acquisition ("UA") marketing and active "live operations" ("Live Ops"). During the third quarter, we had six Active titles across the Company, and $18.5 million of our revenue is generated from Active titles that include;

    - Trailer Park Boys: Greasy Money
    - Bud Farm Idle Tycoon
    - It's Always Sunny in Philadelphia
    - Archer: Danger Phone
    - Cheech & Chong Bud Farm
    - Goldbergs: Back to the 80's

    - RuPaul's Drag Race Superstar and B-Real's Monster Buds were launched subsequent to quarter end on Oct 25th and Nov 1. 2021 respectively and NBC's The Office mobile game, "The Office:Somehow We Manage was announced to launch world wide in Dec of 2021.

- "Evergreen": Game Titles that are >12months since world-wide launch, with limited to no investment in user acquisition marketing and passive Live Ops. Currently we have four Evergreen Titles across the Company and they generated approximately $0.5 million, consistent with Q2 2021.

We are focused on three primary ways to grow our business:

1. **Organic growth**
   - Games Development & Publishing – via IP driven and in-house Franchises
   - Unlock white space, loyal fandoms and underserved markets
   - Active "Live Ops" services player retention and long-term commitment to the player community
   - We did not launch any new games in the first nine months of 2021. In October we launched RuPaul's Drag Race Superstar that has achieved #1 ranking in 8 countries on IOS, in November we launched B-Real Monster Buds and this will be followed by the critically-acclaimed Emmy® award winning comedy, The Office mobile game, "The Office:Somehow We Manage.

2. **Distributed Growth through the Game Kit Software Platform**
   - Game Kit is LEAF's core software technology. This internally developed proprietary game "kit" - Idle framework for building narrative driven idle games allows for a material decrease in the typical build to launch timeline for mobile games and has proven monetization. This platform is utilized internally in the Company and is available for license on an invite only basis to third party developers on a revenue-share and SaaS-based models.
   - We have added seven new Game Kit -Idle partners during 2021, bringing our total Game Kit -Idle partners to ten and they will be launching up to four new games in Q4 2021

3. **Acquired Growth**
   - We are a disciplined buyer looking for accretive acquisitions that support diversification of studio talent, tech and games.
   - The Game Kit ecosystem provides a high quality pipeline for future acquisitions through an "incubator" line of sight which allows us to assess cultural fit, skill sets and acquire studio management alignment.
   - During Q1, 2021 we completed the acquisition of East Side Games. During Q2, 2021, we entered a definitive agreement to acquire Truly Social Games and the initial 20% equity stake closed during the third quarter.

SIGNIFICANT ANNOUNCEMENTS DURING 2021

February 4, 2021	The Company completed its public offering of subscription receipts for aggregate gross proceeds of $23.0 million including the full exercise of the over-allotment option by the Co-Lead Agents (Eight Capital and Haywood Securities Inc.), previously announced on November 11, 2020 and January 25, 2021. The offering was qualified by LEAF's final short form prospectus dated January 22, 2021 (the "Prospectus"), available under its SEDAR profile online at www.sedar.com. A total of 10,222,222 shares were issued and proceeds of the offering were used primarily to fund the cash payment due under the Acquisition.
February 5, 2021	The ESG acquisition was completed. ESG security holders received $10 million in cash consideration, a working capital adjustment of $10.4 million and 44,444,444 common shares of LEAF. See Note 4 of the unaudited interim consolidated financial statements for additional details of the acquisition, including the contingent consideration.
February 10, 2021	The Company commenced trading on the TSX, graduating from the TSXV.
March 9, 2021	The Company announced that it has entered into a non-binding letter of intent (the "LOI") to acquire Truly Social Games ("TSG"), an innovative developer and publisher of mobile games headquartered in Vancouver, B.C., Canada.

March 17, 2021	The Company entered into a multi-year partnership with World of Wonder Productions Inc. for the exclusive mobile game rights to the Emmy Award-winning competition series, RuPaul's Drag Race, to develop and publish a new mobile game for global release on iOS and Android in the second half of 2021.
March 23, 2021	The Company announced that it is set to launch a non-fungible token ("NFT") game creation toolset called Game Kit- NFT for its Game Kit -Idle platform. The company released the first offering of NFTs as prizes, within select games, the week of April 20th, 2021. Top performing players will, for the first time, have true ownership over their rewards by receiving NFTs as prizes in select LEAF Group games published by East Side Games and LDRLY Games studios.
March 31, 2021	The Company announced that it has entered into a publishing and Game Kit -Idle partnership agreement with Night Garden Studio Inc. ("Night Garden") for the global release of a mobile game on iOS and Android. This the second collaboration between Night Garden and ESG. The first collaboration was an exploratory project testing a narrative driven idle adventure game. The agreement extends the official relationship with a multi-year agreement between the two companies. The game will be developed in-house by Night Garden and leverage ESG's proven Game Kit -Idle technology. The game is expected to launch in Q4 2021 with details on the game concept to follow.
April 15, 2021	The Company entered into a publishing and Game Kit -Idle partnership agreement with Bigfoot Gaming Inc. ("Bigfoot") for the global release of a mobile game on iOS and Android. This is the first collaboration between Bigfoot and ESG. The agreement is a single game multi-year publishing and Game Kit -Idle agreement between the two companies. The game will be developed in-house by Bigfoot and leverage Game Kit -Idle's proven technology. The game is based on a well-known and beloved IP franchise which will be announced at a later date and is expected to launch in 2022.
April 20, 2021	The Company announced that it will partner with the Worldwide Asset eXchange Blockchain ("WAX"), on the launch of an NFT-based collectible card game titled Bud Farm Nifty Stash. Bud Farm Nifty Stash will be the newest launch from the Bud Farm universe by LDRLY, and the first NFT-based game for LDRLY and the LEAF group. The game launched on April 20, 2021.
April 21, 2021	The Company entered into a publishing and Game Kit -Idle partnership agreement with Mighty Kingdom Games PTY Ltd. ("Mighty Kingdom") for the global release of a mobile game on iOS and Android. Mighty Kingdom was established in 2010 and since then has released more than 50 games, with more than 50 million downloads, and has worked with major IP licensing partners such as Disney and the LEGO Group. This is the first collaboration between Mighty Kingdom and ESG. The partnership agreement is a single game multi-year publishing and Game Kit -Idle agreement between the two companies. The game will be developed in-house by Mighty Kingdom and leverage Game Kit -Idle's proven technology. The game is based on a well-known science fiction franchise which will be announced at a later date and is expected to launch in 2022.
April 27, 2021	The Company entered into a publishing and Game Kit -Idle partnership agreement with TinyRex Games ("TinyRex") for the global release of three mobile games on iOS and Android. All three games will be developed in-house by TinyRex, leveraging ESG's proven Game Kit - Idle technology, and will be published by ESG. The first game will be based on The Wizard of Oz and is expected to launch world-wide in 2022 with the remaining games to follow shortly thereafter.

May 4, 2021	The Company entered into a publishing and Game Kit -Idle partnership agreement with Game Masons, LLC ("Game Masons") for the world-wide release of a mobile game on iOS and Android. The game will be developed in-house by Game Masons, leveraging ESG's proven Game Kit - Idle technology, and will be published by ESG. The game will be sports-themed and is expected to launch world-wide in 2022.
May 11, 2021	The Company announced that the annual and special general meeting of the Shareholders of common shares of LEAF is scheduled to be held virtually on June 29, 2021 at 10:00 am (Pacific Daylight Time).
May 25, 2021	The Company's common shares commenced trading on the OTC Markets Group's OTCQB Marketplace in the United States under the symbol "LEMLF".
June 22, 2021	The Company announced that it has entered into a definitive agreement to acquire Truly Social Games ("Truly Social"), an innovative developer and publisher of mobile games. The Company initially acquired a 20% interest in TSG for an initial investment of up to $3.0 million. The remaining ownership interest will be acquired in two tranches based on revenue targets. See Note 12 of the unaudited interim consolidated financial statements for additional details of the acquisition.
August 16, 2021	The Company completed a 10-for-1 share consolidation. The share consolidation has been reflected in our unaudited interim consolidated financial statements and in this MD&A.
September 9, 2021	The Company announced that ESG, in collaboration with Universal Games and Digital Platforms, their next free-to-play mobile title, The Office: Somehow We Manage, inspired by the US version of NBC's The Office, now streaming exclusively on Peacock.
October 25, 2021	The Company announced that ESG launched RuPaul's DragRace Superstar, in partnership with World of Wonder Productions Inc.
November 1, 2021	The Company announced that LDRLY launched their next free-to-play mobile title, B-Real Monster Buds, in collaboration with DGT Enterprise LLC.
November 3, 2021	The Company announced that they have extended and expanded their agreement with Trailer Park Boys Incorporated for Trailer Park Boys, the hit comedy TV show, signing a worldwide, multi-year, multi-game partnership agreement.

OVERALL PERFORMANCE

The Schedules in the MD&A will conform to the following logic:

- Schedule 1 – as reported in the IFRS financial statements (which is ESG for all periods presented including LEAF / LDRLY results from the acquisition date of February 5, 2021 to September 30, 2021)

- Schedule 2 – non-GAAP pro forma which is the Schedule 1 as reported under IFRS with the addition of LEAF / LDRLY results from April 17, 2020 to September 30, 2020 and from January 1, 2021 to February 4, 2021

For the Three and Nine Months Ended September 30, 2021 and 2020

Schedule 1 – LEAF as reported under IFRS in the unaudited interim consolidated financial statements

This schedule reports the results of the Company for all periods presented including LEAF / LDRLY results from the merger date of February 5, 2021. As described above, the acquisition of ESG was a reverse takeover and as a result the historical financial information of ESG is the Company's comparative information.

	Three Months Ended September 30, 2021	Three Months Ended September 30, 2020 (Note 2)	Nine Months Ended, September 30, 2021 (Note 1)	Nine Months Ended September 30, 2020 (Note 2)
Revenue	$ 19,035,401	$ 18,339,884	$ 64,579,186	48,885,765
Cost of sales	6,870,726	4,598,114	23,364,968	15,961,526
Profit before other expenses	12,164,675	13,741,770	41,214,218	32,924,239
Other operating expenses	13,408,749	10,449,593	44,505,303	28,202,384
Other income (expense)	(343,382)	136,271	3,453,627	9,748,262
Income tax expense (recovery)	(142,448)	868,272	1,241,698	3,823,762
Net income (loss)	(1,445,007)	2,560,176	(1,079,156)	10,646,355
EBITDA (note 3)	62,785	3,499,801	4,572,855	10,261,922
Adjusted EBITDA (note 4)	1,082,411	3,535,324	6,338,475	5,442,892
Net income (loss) per share	$ (0.02)	$ 0.06	$ (0.01)	$ 0.26
US : CAD average exchange rate	1.26	1.33	1.25	1.36

Note 1 – Revenue includes ESG revenue for all of 2021 and LEAF / LDRLY revenue from the date of acquisition, February 5, 2021 to September 30, 2021. Revenue would have been $66.8 million for the nine months ended September 30, 2021 had the reverse takeover of LEAF/LDRLY taken place on January 1, 2021 (See Schedule 2).

Note 2 – Due to the reverse takeover of LEAF by ESG, the prior period comparative amounts are those of ESG. During the comparative period, ESG owned LDRLY from January 1 to April 17, 2020. Revenue would have been $22.8 million and $57.5 million for the three and nine month periods ended September 30, 2020, respectively had ESG owned LDRLY for the entire period (see Select Quarterly Information – Schedule 2 in this MD&A for additional information).

Note 3 - The term EBITDA does not have a standardized meaning according to IFRS. See Non-GAAP Measures - EBITDA and Adjusted EBITDA for more information.

Note 4 - The term Adjusted EBITDA is not defined under IFRS and is not a measure of operating income, operating performance or liquidity presented in accordance with IFRS. The Company defines Adjusted EBITDA as EBITDA adjusted for stock-based compensation, unrealized foreign exchange gain or loss, and non-cash and other adjustments. See non-GAAP measures for more information.

Schedule 2 – Pro Forma including LEAF / LDRLY acquisition from January 1, 2021

Schedule 2 includes LEAF / LDRLY in the results as if ESG's reverse takeover of LEAF / LDRLY had taken place on January 1, 2021. The Company is providing pro forma quarterly information for the period ended September 30, 2021 to provide a full quarter view of the combined entity as we believe this will assist readers in understanding the results. These results are not audited or reviewed and not in accordance with IFRS.

	Schedule 2 - Pro Forma including LEAF / LDRLY from January 1, 2021			
	Leaf, As Reported under IFRS (See Schedule 1)	**LEAF / LDRY (Jan 1 – Feb 4)**	**Elimination Adjustments**	**Pro Forma Leaf (Schedule 2)**
Revenue	$ 64,579,186	$ 5,803,188	$ (3,539,919)	**$ 66,842,455**
Cost of sales	23,364,968	5,247,931	$ (3,539,919)	**25,072,980**
Profit before other expenses	41,214,218	555,257		**41,769,475**
Other operating expenses	44,505,303	1,799,203		**46,304,506**
Other income	3,453,627	-		**3,453,627**
Income tax expense (recovery)	1,241,698	-		**1,241,698**
Net income (loss) for the period	(1,079,156)	(1,243,946)		**(2,323,102)**
EBITDA (Note 1)	4,572,855	(1,089,612)		**3,483,243**
Adjusted EBITDA (Note 2)	6,338,475	$ 308,486		**$ 6,646,961**

Note 1 - The term EBITDA does not have a standardized meaning according to IFRS. See Non-GAAP Measures - EBITDA and Adjusted EBITDA for more information.

Note 2 - The term Adjusted EBITDA is not defined under IFRS. See non-GAAP measures for more information.

Commentary for the three and nine months ended September 30, 2021:

- On an IFRS basis, as reported in our unaudited interim consolidated financial statements, revenue was $19.0 million and $64.6 million for the three and nine months ended September 30, 2021, respectively, increases of 4% and 32%, respectively, compared to $18.3 million and $48.9 million in the comparable prior year periods. The increases were largely due to the acquisition of ESG.
- For the quarter ended September 30, 2021 our advertising revenue increased to $5.2 million, or 27% of total revenue, up from $5.1 million on a pro forma basis, or 22% of total revenue in the prior year quarter. As compared to Q2 2021, ad revenue was consistent as a percentage of total revenue.
- On a pro forma basis, which includes the LDRLY studio in all periods presented, revenue was $19.0 million and $66.8 million for the three and nine months ended September 30, 2021, respectively, changes of -17% and 16%, respectively, compared to $22.8 million and $57.5 million in the comparable prior year periods. The combination of the retention of our increased Q2 2020 user base acceleration across our entire game portfolio with the shelter in place restrictions and two new game launches in Q2 and Q3 2020 contributed to our revenue growth in year to date 2021 as compared to year to date 2020. The softening of revenue delivery from Q3 2020 to Q3 2021 was due to the impact of economic re-openings amplifying seasonality and reduced user acquisition spend which began during the second quarter of 2021 as we addressed Apple's IDFA implementation working it's way through the mobile marketing ecosystem.
- Approximately 70% of our revenue is generated in the United States. The 5% year over year quarterly decrease in the US dollar foreign exchange rate compared to the Canadian dollar resulted in a 3% reduction to our overall revenue. In constant dollars, revenue would have been $19.6 million this quarter.
- Cost of sales include platform fees from Apple and Google, which are 30% of in-app purchases, Amazon hosting fees and IP royalties. The increase over the prior year is due to the higher revenues. Cost of sales as a percentage of revenues was consistent year over year for the three and nine month periods.

- Operating expenses include user acquisition costs, internal and third party development costs, administration expenses, stock based compensation, transaction fees, and depreciation of equipment and intangible assets. User acquisition costs have decreased over the prior year as a result of changes made by Apple to their Identifier for Advertisers (see below for more information). In response, we scaled back our UA spend to maintain target returns, resulting in fewer players installing our games during the second and third quarters of 2021. Development costs were consistent with the prior year quarter and year-to-date. General and admin expenses increased due to higher stock based compensation charges and public company costs during the quarter and year-to-date periods. Transaction expenses in Q3 2021 primarily resulted from legal and accounting fees and for the year to date included transaction costs related to the ESG and Truly Social acquisitions.
- Other income for the nine months ended September 30, 2021 reflects the $5.0 million gain on distribution of LEAF shares to ESG shareholders. Accretion expense resulted from the contingent consideration and the unrealized foreign exchange loss resulted from the weakening of the US dollar. Other income for the nine months ended September 30, 2020 reflects the $9.6 million gain on sale of LDRLY.
- For the three month period, the Company recorded a net loss of $1.4 million largely as a result of the amortization of intangibles, stock based compensation and accretion expense. This compares to net income of $2.6 million in the prior year quarter which benefited from accelerated install growth across entire game portfolio as result of shelter in place restrictions. For the nine months ended September 30, 2021, the Company reported a net loss of $1.1 million compared to net income of $10.6 million in the prior year period, which reflects the $9.6 million gain on sale of LDRLY.
- Adjusted EBITDA was $1.1 million for the quarter, representing a 6% margin, compared to $3.3 million for the prior year quarter. Adjusted EBITDA on a pro forma basis for the nine months ended September 30, 2021 was $6.3 million compared to $6.0 million for the prior year period.

Apple Advertising (IDFA/ATT) Policy Change

In June of 2020, Apple announced a key change to their newest operating system, iOS 14, which has altered the advertising ecosystem of mobile apps. Apple's change to IDFA (Identifier for Advertisers) through it's ATT (App Tracking Transparency) will mean it will no longer be available to apps by default, instead requiring users to "opt in" on a per app basis; the industry has seen Initial data indicates ATT opt-in rates are much higher than anticipated — at least 41% (source: Apps Flyer.com, April 2021) though only a minority of users have consented to apps accessing their IDFA. The IDFA had become an integral part of performance marketing for apps after it's introduction by apple in 2012, as large advertising networks like Facebook and Google had relied on this identifier, combined with data collected through their own apps and services, to optimize ad campaign targeting; the impact is currently still working it's way through the eco-system as we see the large advertising networks and ad service providers adapt to how they track and optimize performance marketing campaigns in this new environment that benefits Apple's ad network services.

As Apple 's policy change works through the ecosystem the Company has seen turbulence in paid user acquisitions costs and return on advertising spend (ROAS) on IOS predominantly, and we reduced user acquisition investment as of Q2 2021 and through Q3 to address this while we continued to focus on investments in the improvement of our mobile platform franchises and Game Kit platfom, which it believes will drive long term value for its stakeholders.

SELECT QUARTERLY INFORMATION

Schedule 1 - LEAF as reported in the unaudited interim consolidated financial statements - Quarterly Data

This schedule reports the results of ESG for the full quarter and LEAF / LDRLY results from the acquisition date of February 5, 2021. As described above, the acquisition of ESG was a reverse takeover and as a result the historical financial information of ESG is the Company's comparative information. ESG also owned LDRLY from January 1 to April 17, 2020.

	Q1 2021	Q2 2021	Q3 2021
LEAF, As Reported under IFRS			
Revenue	$ 23,004,986	$ 22,538,799	$ 19,035,401
Cost of sales	7,968,314	8,525,928	6,870,726
Profit before other expenses	15,036,672	14,012,871	12,164,675
Other operating expenses	17,225,687	13,870,865	13,408,749
Other income (loss)	4,680,987	(883,980)	(343,382)
Income tax expense	1,231,881	152,264	(142,448)
Net income (loss) for the period	1,260,090	(894,238)	(1,445,008)
EBITDA (Note 1)	3,610,227	899,844	62,785
Adjusted EBITDA (Note 2)	$ 2,695,930	$ 2,560,134	$ 1,082,411
US : CAD average exchange rate	1.27	1.23	1.26

	Q1 2020	Q2 2020	Q3 2020	Q4 2020
LEAF, As Reported under IFRS				
Revenue	$ 12,975,675	$ 17,570,206	$ 18,339,884	$ 19,164,686
Cost of sales	5,914,369	5,449,043	4,598,114	4,247,549
Profit before other expenses	7,061,306	12,121,163	13,741,770	14,917,137
Other operating expenses	8,602,823	9,149,968	10,449,593	8,549,079
Other income (loss)	(95,421)	9,707,412	136,271	(695,340)
Income tax expense	5,749	2,949,741	868,272	1,209,694
Net income (loss) for the period	(1,642,687)	9,728,867	2,560,176	4,463,024
EBITDA (Note 1)	(1,570,231)	12,746,202	3,499,801	5,772,147
Adjusted EBITDA (Note 2)	$ (1,303,016)	$ 3,210,584	$ 3,535,324	$ 6,566,978
US : CAD average exchange rate	1.35	1.39	1.33	1.30

Note 1 - The term EBITDA does not have a standardized meaning according to IFRS. See Non-GAAP Measures - EBITDA and Adjusted EBITDA for more information.

Note 2 - The term Adjusted EBITDA is not defined under IFRS. See non-GAAP measures for more information.

Schedule 2 – Pro Forma including LEAF / LDRLY acquisition from January 1, 2020 - Quarterly Data

Schedule 2 is the as reported under IFRS (Schedule 1) with the addition of LEAF / LDRLY results from April 17, 2020 to September 30, 2020 and from January 1, 2021 to February 4, 2021. The Company is providing pro forma quarterly information to provide a full view of the combined entity as we believe this will assist readers in understanding the results. These results are not audited or reviewed and not in accordance with IFRS.

	Q1 2021	**Q2 2021**	**Q3 2021**
Schedule 2 -Pro Forma including LEAF / LDRLY from January 1, 2021			
Revenue	**$ 25,268,255**	$ 22,538,799	$ 19,035,401
Cost of sales	**9,676,326**	8,525,928	6,870,726
Profit before other expenses	**15,591,929**	14,012,871	12,164,675
Other operating expenses	**19,024,890**	13,870,865	13,408,749
Other income (expense)	**4,680,986**	(883,980)	(343,382)
Income tax expense (recovery)	**1,231,881**	152,264	(142,448)
Net income (loss) for the period	**16,144**	(894,238)	(1,445,008)
EBITDA (Note 1)	**2,520,615**	899,844	62,785
Adjusted EBITDA (Note 2)	**$ 3,004,416**	$ 2,560,134	1,082,411

	Q1 2020	**Q2 2020**	**Q3 2020**	**Q4 2020**
Schedule 2 -Pro Forma including LEAF / LDRLY from January 1, 2021				
Revenue	$ 12,975,675	$ 21,746,541	$ 22,818,989	$ 22,966,464
Cost of sales	5,914,369	8,407,128	8,360,396	7,965,970
Profit before other expenses	7,061,306	13,339,413	14,458,593	15,000,494
Other operating expenses	8,699,664	10,817,782	12,025,408	12,531,477
Other income (expense)	(95,421)	9,707,412	136,271	(695,340)
Income tax expense (recovery)	5,749	2,949,741	868,272	240,514
Net income (loss) for the period	(1,739,528)	9,279,302	1,701,184	1,533,163
EBITDA (Note 1)	(1,661,347)	12,640,828	2,984,998	2,931,459
Adjusted EBITDA (Note 2)	$(1,394,132)	$ 4,155,868	$ 3,280,238	$ 5,199,751

Note 1 – The term EBITDA does not have a standardized meaning according to IFRS. See Non-GAAP Measures – EBITDA and Adjusted EBITDA for more information.
Note 2 – The term Adjusted EBITDA is not defined under IFRS. See non-GAAP measures for more information.

LIQUIDITY & CAPITAL RESOURCES

Cash for the Company at September 30, 2021 was $11.8 million and working capital was $11.5 million. In addition to the cash on the balance sheet, the Company has access to $13.5 million in credit facilities, none of which has been drawn upon.

The net cash generated in operating activities for the nine months ended September 30, 2021 was $2.1 million compared to $5.1 million in the prior year period. The prior year period is ESG's cash flow.

Cash provided by investing activities during the nine months ended September 30, 2021 was $5.0 million due to the proceeds from disposal of marketable securities.

There were a number of financing transactions that took place as a result of the acquisition of ESG, resulting in an overall source of cash of $0.3 million, as follows:

- A cash dividend of $6.3 million was paid out to the shareholders of ESG prior to the acquisition.

- Proceeds received from the LEAF share issuance of $21.0 million.
- These proceeds from the share issuance were largely paid out to the shareholders of ESG as part of the acquisition in the amount of $19.3 million.
- The legal parent had $4.4 million of cash at the time of the acquisition.

SHARE CAPITAL

The Company has an unlimited number of authorized common shares.

On August 16, 2021, the Company announced a 10-for-1 share consolidation. The share consolidation has been reflected in all share amounts in this MD&A.

Significant share transactions during 2021 by the legal parent, as part of the acquisition of ESG were:

- On February 4, 2021, the Company issued 10,222,222 shares at $2.25 for gross proceeds of $23.0 million as part of the ESG acquisition.
- On February 5, 2021, the Company issued 44,444,444 shares to purchase ESG.
- On February 5, 2021, the Company issued 613,333 warrants to Haywood Capital as part of the share issuance. The warrants have an exercise price of $2.25 and a two year exercise period.
- On February 5, 2021, the Company granted 2.4 million stock options to the Company's directors and CEO at an exercise price of $2.25.

As part of the contingent consideration on the purchase of ESG, ESG shareholders have the ability to earn an additional $40.0 million over the next 24 months, with the vendors' option to convert up to 50% of the contingent consideration into the Company's common shares at a set price of $2.25 per share. The contingent consideration becomes payable based on the following:

- $20.0 million if Leaf achieves $100 million in gross revenue by February 4, 2022, and
- $20.0 million if Leaf achieves $150 million in gross revenue between February 5, 2022 and February 5, 2023.

The Company is subject to various regulatory escrow agreements. At September 30 2021, 10,745,187 shares were held in escrow with various release dates through April 2023. In connection with the graduation to the TSX, the Company qualifies as a Tier 1 issuer and has made application to be designated as such which automatically adjusts the escrow release schedule. Under the Tier 1 release schedule, the remaining common shares were released from escrow on October 18, 2021.

Former ESG shareholders have agreed that 48,985,416 shares are subject to lock-up with one third coming out of lock-up on each of February 5, 2022, February 5, 2023 and February 5, 2024.

ACQUISITION OF TRULY SOCIAL GAMES

The Company entered into a Definitive Agreement to acquire Truly Social Games Inc. ("TSG") on June 22, 2021. The Company initially acquired 20% of TSG in July 2021 in exchange for an initial investment of up to $3.0 million which will be used by TSG to develop new game titles. The Company is committed to increasing its ownership position if certain performance targets are met. The remaining 80% ownership position would be purchased for $19.0 million, to be paid in LEAF shares on the achievement of defined revenue targets by June 2024. The Company is also committed to a $15.0 million payment to TSG, also in LEAF shares, on the achievement of TSG achieving defined revenue targets by June 2027.

OTHER COMMITMENTS

In addition to the commitments to ESG and TSG shareholders noted above, the Company has minimum guarantees and other commitments of $1.2 million to certain IP holders. The Company believes that its cash on hand and credit facilities, combined with the cash generated from operations is sufficient to meet its obligations.

RELATED PARTY TRANSACTIONS

LDRLY

During the period from January 1 to February 4, 2021, the Company received $3.5 million in royalties and services reimbursement from LDRLY.

Haymarket Advisory Fee

In Q1 2021, an advisory fee of $1.0 million worth of shares was paid to Haymarket Investments Inc., a company controlled by directors of the Company. There are no further obligations to Haymarket.

Growthworks Transactions

Accounting and administrative services are provided by Growthworks, a company controlled by a director of LEAF. Details of these transactions are disclosed in note 22 of the unaudited interim consolidated financial statements.

Non-GAAP MEASURES

We have included certain non-GAAP performance measures throughout this MD&A. These performance measures are employed by us internally to measure operating and economic performance and to assist in business decision-making, as well as providing key performance information to senior management. We believe that, in addition to conventional measures prepared in accordance with IFRS, certain investors and other stakeholders also use this information to evaluate our operating and financial performance; however, these non-GAAP performance measures do not have any standardized meaning. Accordingly, these performance measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Non-GAAP Measures – EBITDA and Adjusted EBITDA

We believe that, in addition to conventional measures prepared in accordance with IFRS, the Company and certain investors use EBITDA and Adjusted EBITDA as an indicator of our ability to generate liquidity by producing operating cash flow to fund working capital needs and fund development expenditures. EBITDA is also frequently used by investors and analysts for valuation purposes whereby EBITDA is multiplied by a factor or "EBITDA multiple" that is based on an observed or inferred relationship between EBITDA and market values to determine the approximate total enterprise value of a company.

EBITDA and Adjusted EBITDA are intended to provide additional information to investors and analysts and do not have any standardized definition under IFRS, and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. EBITDA and Adjusted EBITDA exclude the impact of cash costs of financing activities and taxes, and the effects of changes in operating working capital balances, and therefore are

not necessarily indicative of operating profit or cash flow from operations as determined under IFRS. Other companies may calculate EBITDA and Adjusted EBITDA differently.

EBITDA

LEAF defines EBITDA as net income or loss adjusted for income taxes, interest expense, depreciation and amortization.

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Schedule 1 – LEAF as reported under IFRS in the consolidated financial statements							
Net income (loss)	$(1,642,687)	$ 9,728,866	$ 2,560,176	$ 4,463,024	$ 1,260,090	$ (894,238)	$ (1,445,008)
Income tax	5,749	2,949,741	868,272	1,209,694	1,231,881	152,264	(142,448)
Depreciation and amortization	66,707	67,595	71,353	99,429	1,118,256	1,641,818	1,650,241
EBITDA	$(1,570,231)	$ 12,746,202	$ 3,499,801	$ 5,772,147	$ 3,610,227	$ 899,844	$ 62,785

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Schedule 2 - Pro Forma including LEAF / LDRLY from January 1, 2021							
Net income	$ (1,739,528)	$ 9,279,302	$ 1,701,184	$ 1,533,163	$ 16,144	$ (894,238)	$ (1,445,008)
Income tax	5,749	2,949,741	868,272	240,514	1,231,881	152,264	(142,448)
Depreciation and amortization	72,432	411,785	415,542	1,157,782	1,272,590	1,641,818	1,650,241
EBITDA	$ (1,661,347)	$ 12,640,828	$ 2,984,998	$ 2,931,459	$ 2,520,615	$ 899,844	$ 62,785

Adjusted EBITDA

LEAF defines Adjusted EBITDA as EBITDA adjusted for stock-based compensation, unrealized foreign exchange gains or losses, non-recurring costs, and non-cash and other adjustments.

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Schedule 1 – LEAF as reported under IFRS in the consolidated financial statements							
EBITDA	$(1,570,231)	$ 12,746,202	$ 3,499,801	$ 5,772,147	$ 3,610,227	$ 899,844	$ 62,785
Stock based comp	171,794	171,794	171,794	99,491	2,556,314	608,495	463,204
Public listing and transaction costs	-	-	-	-	1,210,375	167,815	213,040
One time items	95,421	(9,707,412)	(136,271)	695,340	(4,680,986)	883,980	343,382
Adjusted EBITDA	$(1,303,016)	$ 3,210,584	$ 3,535,324	$ 6,566,978	$ 2,695,930	$ 2,560,134	$ 1,082,411

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Schedule 2 - Pro Forma including LEAF / LDRLY from January 1, 2021							
EBITDA	$(1,661,347)	$ 12,640,828	$ 2,984,998	$ 2,931,459	$ 2,520,615	$ 899,844	$ 62,785
Stock based comp	171,794	431,511	431,511	194,930	3,119,412	608,495	463,204
Public listing and transaction costs	-	790,941	-	1,378,022	2,045,375	167,815	213,040
One time items	95,421	(9,707,412)	(136,271)	695,340	(4,680,986)	883,980	343,382
Adjusted EBITDA	$(1,394,132)	$ 4,155,868	$ 3,280,238	$ 5,199,751	$ 3,004,416	$ 2,560,134	$ 1,082,411

SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and notes to the consolidated financial statements. These estimates are based on management's best knowledge of current events and actions the Company may undertake in the future. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognized in the period in which the estimates are revised. Significant areas requiring the Company to make estimates include identification and valuation of intangible assets acquired in business combinations, contingent consideration resulting from business combinations and the fair value of share-based payments. The application of these and other accounting policies are described in notes 2 and 3 of our annual consolidated financial statements and our MD&A, for the year ended December 31, 2020, filed on April 30, 2021. Actual amounts may vary significantly from estimates used. There have been no significant changes in accounting policies applied to the September 30, 2021 unaudited consolidated interim financial statements.

ACCOUNTING STANDARDS AND AMENDMENTS ISSUED BUT NOT YET APPLIED

The Company is not aware of any proposed accounting standards or amendments that would have a significant effect on the consolidated financial statements as at September 30, 2021.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management is responsible for establishing and maintaining adequate internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements in accordance with IFRS. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

There have been no material changes in the Company's internal control over financial reporting during the quarter ended September 30, 2021 that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

RISK FACTORS AFFECTING OUR PERFORMANCE

The securities of LEAF should be considered highly speculative due to the nature of the Company's businesses and the current stage of its development. Risks and uncertainties are discussed in great detail in the Company's Annual Information Form available on SEDAR at www.sedar.com.

The risks presented in the Annual Information Form may not be all of the risks that the Company may face. It is believed that these are the factors that could cause actual results to be different from expected and historical results. Other sections of this MD&A, the unaudited interim consolidated financial statements for the three and nine months ended September 30, 2021 and the consolidated financial statements for the years ended December 31, 2020 and 2019, each of which are available on SEDAR, and other filings the Company has made and may make in the future with the applicable securities authorities, include additional factors that could have an effect on the business and financial performance of the Company's business. The market in which the Company competes is very competitive and changes rapidly. Sometimes new risks emerge and management may not be able to predict all of them, or be able to predict how they may cause actual results to be different from those contained in any forward-looking statements. You should not rely upon forward-looking statements as a prediction of future results.

ADDITIONAL INFORMATION

Additional information relating to the Company is available in the unaudited interim consolidated financial statements for the three and nine months ended September 30, 2021 and the audited consolidated financial statements of the Company for the years ended December 31, 2020 and 2019. Additional information can also be found in the investors section of the Company's website at www.leafmobile.com or on the Company's SEDAR profile at www.sedar.com including the most recently filed Management Information Circular.