MANAGEMENT'S DISCUSSION AND ANALYSIS

The 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, which have been prepared in accordance with the 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 April 30, 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 is the Company's active business unit (the "Qualifying Transaction"). For comparison purposes, some pre-acquisition LDRLY financial information will be provided in this MD&A. See Notes 4 and 6 of the audited consolidated financial statements for further information on the LDRLY acquisition.

Subsequent to year end, on February 5, 2021, the Company acquired Eastside Games Inc. (ESG) in a reverse takeover transaction. Note 21 of the audited consolidated financial statements 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 is the accounting acquiror of LEAF, for the quarter ended March 31, 2021, the financial information of ESG will be presented as the continuing company, with Leaf's results included for the period from February 5 to March 31, 2021. Due to the significance of the ESG acquisition, pro forma information for the combined company (Leaf and ESG) is presented in the "PRO FORMA FINANCIAL INFORMATION" section of this MD&A.

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 acquisition of ESG, 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 uncertainty of 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

As highlighted in our second and third quarter reports, the accelerated increase in demand from existing users and large inflow of new users that we experienced in March, April and May started to normalize in June, a trend which has continued through the remainder of the year. It is important to highlight that the users acquired since the beginning

of the COVID-19 pandemic exhibit similar user behavior as users acquired during other periods, implying that many of the newly acquired users will continue to play our games over a long period of time.

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 leading free-to-play mobile game group, creating engaging games that produce enduring player loyalty. Our distributed studio group's entrepreneurial culture is anchored in creativity, execution, and a focused growth strategy of games development and publishing of original and licensed IP games, distributed core technology platform game kit ("Idle" and "NFT") and disciplined mergers and acquisitions. Headquartered in Vancouver, with over 150 employees and 2 studios, East Side Games and LDRLY. 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 operate our mobile games as free to play. We generate in-app purchases ("IAP") revenue 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, expansion into new markets and distribution platforms. Other revenue may consist of royalties received from the licensing of our brands with the recent outbound licensing agreement signed with Treimage.

Our business generates revenue through mobile platforms. In the year ended December 31, 2020, we estimate that 38% and 62% of our in-application revenues were generated on Apple and Google respectively.

We incur licensing fees related to the use of intellectual property within our games and our operating margins can be affected by the mix of player purchases from games in which we own the intellectual property as compared to games in which we license certain intellectual properties. For example, we use licensed intellectual property as creative assets in games such as *Cheech & Chong Bud Farm*, and for new games under development using licensed intellectual property for B-Real of Cypress Hill. While overall revenue within these games will benefit our revenue, a shift in the mix of our revenue towards such games using licensed intellectual property could decrease our operating margins.

Following the acquisition of ESG, the Company has ten live mobile games, four of them from the LDRLY studio and the remainder with ESG.

LDRLY games:

- Active – *Cheech & Chong Bud Farm* and *Bud Farm Idle Tycoon*
- Evergreen – *Bud Farm Grass Roots* and *Bud Farm 420*

ESG games:

- Active – *Archer: Danger Phone*; *The Goldbergs: Back to the 80s*; *The Trailer Park Boys Grea$y Money* and *It's Always Sunny: The Gang Goes Mobile*
- Evergreen – *Dragon Up: Idle Adventure* and *FUBAR: Idle Party Tycoon*

Defined as:

- Active: active user acquisition marketing and active live operations ("Live Ops")
- Evergreen: >12months since launch, limited user acquisition marketing and passive Live Ops

SIGNIFICANT ANNOUNCEMENTS DURING THE YEA AND SUBSEQUENT TO THE YEAR ENDED DECEMBER 31, 2020

April 17, 2020	The Company acquired all of the outstanding shares in LDRLY from ESG, in consideration of 55,187,500 shares and $1.25 million in cash (paid originally as a deposit in 2019). The Company completed a private placement and issued 21,856,250 shares for gross proceeds of $3.5 million The Company changed its name from Caprice Business Development Canada to LEAF Mobile Inc.
April 20, 2020	The Company launched "Cheech & Chong BUDFARM" on 4/20 with a live, virtual launch party hosted by Cheech & Chong.
July 23, 2020	A partnership agreement was signed with B-Real of the hip hop group Cypress Hill for the development of a new mobile game. The game will be developed and published by LDRLY. The terms of this agreement are subject to confidentiality and non-disclosure obligations. The game is anticipated to launch in 2021.
October 31, 2020	LEAF entered into an agreement (amended effective November 26, 2020) with ESG and its securityholders, pursuant to which LEAF will acquire (the "Acquisition") all of the outstanding securities of ESG on a "cash free, debt free" basis, subject to the terms and conditions thereunder.
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 102,222,222 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 securityholders received $10 million in cash consideration, a working capital adjustment of $9.3 million and 444,444,444 common shares of LEAF. See Note 20 of the audited 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 NFTKit for its IdleKit 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 IdleKit 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 IdleKit 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 IdleKit 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 IdleKit agreement between the two companies. The game will be developed in-house by Bigfoot and leverage IdleKit'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 IdleKit 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 IdleKit agreement between the two companies. The game will be developed in-house by Mighty Kingdom and leverage IdleKit'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.

OVERALL PERFORMANCE

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

- Schedule 1 – as reported in the IFRS financial statements (LDRLY results from acquisition date of April 17, 2020)
- Schedule 2 – non-GAAP pro forma which will include LDRLY from January 1, 2020
- Schedule 3 – non-GAAP pro forma which will include LDRLY and ESG from January 1, 2020

For the Three Months and Year Ended December 31, 2020 and 2019

Schedule 1 – LEAF as reported in the consolidated financial statements

This schedule reports the results of the Company including LDRLY from the date of acquisition of April 17, 2020 to December 31, 2020

	Three Months Ended December 31, 2020	Three Months Ended December 31, 2019 (Note 1)	Year Ended December 31, 2020	Year Ended December 31, 2019 (Note 1)
Revenue (Note 2)	$ 11,911,052	$ -	$ 31,085,253	$ -
Cost of sales, selling and development	11,827,695	-	29,066,823	-
Profit before other expenses	83,357	-	2,018,430	-
Other operating expenses	3,982,398	229,309	7,322,868	471,714
Income tax expense (recovery)	(969,180)	-	(969,180)	-
Net loss	(2,929,861)	(229,309)	(4,335,258)	(471,714)
EBITDA (note 3)	(2,840,688)	(229,309)	(3,551,981)	(471,714)
Adjusted EBITDA (note 4)	(1,367,227)	(229,309)	(768,145)	(471,714)
Net loss per share	$ (0.01)	$ (0.00)	$ (0.02)	$ (0.00)

Note 1 – Due to the reverse takeover of LEAF by 1182533 B.C. Ltd. ("118CO"), the prior period comparative amounts are those of 118Co (see Note 5 of the consolidated financial statements). The financial results include LDRLY from the acquisition date of April 17, 2020.

Note 2 – Revenue includes LDRLY revenue from the date of acquisition, April 17, 2020 to December 31, 2020. Revenue would have been $3.4 million for the three months ended December 31, 2019 had the LDRLY acquisition taken place on January 1, 2019. Revenue would have been $37.8 million and $8.5 million for the years ended December 31, 2020 and 2019, respectively, had the LDRLY acquisition taken place on Jan. 1, 2019 (See Schedule 2).

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 LDRLY from January 1, 2020

Schedule 2 includes LDRLY in the Company's results as if LDRLY was acquired on January 1, 2019. The Company is providing pro forma annual and quarterly information for the period ended December 31, 2020 as a result of the significance of the LDRLY acquisition as we believe this will assist readers in understanding the results. These results are not audited, not in accordance with IFRS and actual future results may differ from this proforma presentation.

	Three Months Ended December 31, 2020	Three Months Ended December 31, 2019	Year Ended December 31, 2020	Year Ended December 31, 2019
Revenue	$ 11,911,052	$ 3,403,779	$ 37,798,303	$ 8,448,514
Cost of sales, selling and development	11,827,695	3,408,240	34,067,805	8,381,682
Profit before other expenses	83,357	(4,461)	3,730,498	66,832
Other operating expenses	3,982,398	502,564	8,592,186	620,983
Income tax expense (recovery)	(969,180)	-	(969,180)	-
Net loss	(2,929,861)	(507,025)	(3,892,508)	(554,151)
EBITDA (note 1)	(2,840,688)	(507,025)	(3,100,458)	(471,714)
Adjusted EBITDA (note 2)	$ (1,367,227)	$ (507,025)	$ (316,622)	$ (471,714)

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.

For the quarter and year ended December 31, 2020:

- Total reported revenue was $11.9 million in Q4 2020 and $31.1 million for the year, which included the results of LDRLY from April 17, 2020 to December 31, 2020. The significant increase in revenue was due to the acquisition of LDRLY during 2020, the rapid growth in ***Bud Farm Idle Tycoon*** which was launched in Q2 2019 and new revenue from ***Cheech & Chong Bud Farm*** which was launched in April 2020.
- Revenue would have been $37.8 million had the LDRLY acquisition occurred on January 1, 2020.
  Product area operations financial results:
  - Active titles revenue was $11.5 million in Q4 2020 vs. $10.5 million in Q3 2020. This represents a 10% increase quarter over quarter.
  - Evergreen titles contributed $0.4 million in revenue for Q4 2020, resulting in a decrease of $0.2 million, or 33%, over Q3 2020 results of $0.6 million.

- Cost of sales and development costs includes all studio costs of LDRLY, which include royalties and IdleKit fees paid to ESG. Costs include platform fees from Apple and Google, development costs, royalties and user acquisition costs.
- Operating expenses include administration salaries, stock-based compensation, amortization of intangible assets, public listing and transaction related costs for the LDRLY and ESG transactions and investor relations costs.
- Net loss for the quarter was $3.4 million and for the year was $4.3 million, reflecting the public listing and transaction fees incurred during the year.
- Adjusted EBITDA was a loss of $1.4 million for the quarter and a loss of $0.3 million for the year.

SELECT QUARTERLY INFORMATION

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

This schedule reports the quarterly results of the Company including LDRLY from the date of acquisition of April 17, 2020 to December 31, 2020. The 2019 quarters are not presented as there was no revenue and nominal expenses.

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020
LEAF, As Reported					
Revenue	$ -	$ 8,081,185	$ 11,093,016	$ 11,911,052	**$ 31,085,253**
Cost of sales, selling and development	-	6,862,935	10,376,193	11,827,695	**29,066,823**
Profit before other expenses	-	1,218,250	716,823	83,357	**2,018,430**
Other operating expenses	96,841	1,667,814	1,575,815	3,982,398	**7,322,868**
Income tax expense (recovery)	-	-	-	(969,180)	**(969,180)**
Net loss for the period	(96,841)	(449,564)	(858,992)	(2,929,861)	**(4,335,258)**
EBITDA (Note 1)	(91,116)	(105,374)	(514,803)	(2,840,688)	**(3,551,981)**
Adjusted EBITDA (Note 2)	$ (91,116)	$ 945,284	$ (255,086)	$ (1,367,227)	**$ (768,145)**

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 LDRLY from January 1, 2020 - Quarterly Data

The Company completed the acquisition of LDRLY on April 17, 2020. References to "pro forma" figures herein will assume the acquisition of LDRLY took place on January 1, 2020. The Company is providing pro forma annual and quarterly information for the period ended December 31, 2020 as a result of the significance of the ESG acquisition as we believe this will assist readers in understanding the combined historical results. These results are not audited and not in accordance with IFRS.

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	FY 2020
Schedule 2 - LEAF Pro Forma including LDRLY from January 1, 2020					
Revenue	$ 5,178,327	$ 9,615,908	$ 11,093,016	$ 11,911,052	**$ 37,798,303**
Cost of sales, selling & development	4,495,845	7,368,072	10,376,193	11,827,695	**34,067,805**
Profit before other expenses	682,482	2,247,836	716,823	83,357	**3,730,498**
Other operating expenses	485,190	2,548,783	1,575,815	3,982,398	**8,592,186**
Income tax expense (recovery)	-	-	-	(969,180)	**(969,180)**
Net income (loss) for the period	197,292	(300,947)	(858,992)	(2,929,861)	**(4,335,258)**
EBITDA (Note 1)	217,693	37,340	(514,803)	(2,840,688)	**(3,100,458)**
Adjusted EBITDA (Note 2)	$ 217,693	$ 1,087,998	$ (255,086)	$ (1,367,227)	**$ (316,622)**

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

The acquisition of ESG in February 2021 is expected to provide the Company with increased revenues and cashflow from operations and access to a $10 million financing facility. Cash for the combined company at March 31, 2021 was $10.6 million.

As of December 31, 2020, LEAF had working capital of $2.0 million (December 31, 2019: $1.1 million), including cash and cash equivalents of $7.2 million (December 31, 2019: $32,598).

The net cash generated from operating activities was $2.4 million, however a significant amount of this cashflow was due to an increase in accounts payable of $5.2 million. Excluding the increase in accounts payable, the use of cash was driven primarily by user acquisition spending to drive growth for *Bud Farm Idle Tycoon* and *Cheech and Chong Bud Farm*.

Cash provided by investing activities during 2020 was $1.1 million due to cash acquired in the LDRLY acquisition. In the same period in 2019, cash used was $1.3 million representing an advance payment for the cash portion of the acquisition of LDRLY.

Cash provided by financing activities for 2020 was $3.7 million compared to $1.5 million during 2019. The increase in cash was due to a $3.5 million share issuance.

Share Capital

The Company has an unlimited number of authorized common shares.

Significant share transactions during 2020 and subsequent to year end were:

- On April 17, 2020, the Company issued 21,856,250 shares at $0.16 resulting in gross proceeds of $3.5 million as part of the Qualifying Transaction.
- On April 17, 2020, the Company issued 55,187,500 shares at a fair value of $0.16 for the purchase of LDRLY.
- On April 17, 2020, the Company issued 5,500,000 shares as part of the amalgamation comprising its qualifying transaction.
- On February 4, 2021, the Company issued 102,222,222 shares at $0.225 for gross proceeds of $23.0 million as part of the ESG acquisition.
- On February 5, 2021, the Company issued 444,444,444 shares to purchase ESG.

On February 5, 2021, the Company granted 24 million stock options to the Company's directors and CEO at an exercise price of $0.225.

As part of the contingent consideration on the purchase of ESG, ESG shareholders have the opportunity 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 $0.225 per share.

RELATED PARTY TRANSACTIONS

ESG Transactions

Prior to the acquisition of ESG, ESG held over 20% of LEAF's issued and outstanding common shares and was a related party. There were significant transactions between ESG and LEAF during 2020 for game support services as disclosed in note 17 of the audited financial statements. Subsequent to the acquisition of ESG in 2021, these related party transactions will be intercompany transactions and will be eliminated on consolidation. Please see the pro forma financial statements above for additional details.

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 17 of the audited financial statements.

PRO FORMA FINANCIAL INFORMATION

The Company completed the acquisition of ESG on February 5, 2021. References to "pro forma" figures herein will assume the acquisition of ESG took place on January 1, 2020. The Company is providing pro forma annual and quarterly information for the period ended December 31, 2020 as a result of the significance of the ESG acquisition as we believe this will assist readers in understanding the combined historical results. These results are not audited andnot in accordance with IFRS.

Schedule 3 – LEAF Pro Forma including LDRLY and ESG from January 1, 2020

	Schedule 3 - LEAF Pro Forma including LDRLY and ESG from January 1, 2020			
	Leaf, As Reported	**ESG, As Reported**	**Elimination Adjustments**	**Pro Forma Leaf**
Revenue	$ 31,085,253	$ 68,050,451	$ (18,628,035)	**$ 80,507,669**
Cost of sales, selling and development	29,066,823	20,209,075	$ (18,628,035)	**30,647,863**
Profit before other expenses	2,018,430	47,841,376		**49,859,806**
Other operating expenses	7,322,868	36,751,463		**44,074,331**
Other income	-	9,052,922		**9,052,922**
Income tax expense (recovery)	(969,180)	5,033,456		**4,064,276**
Net income (loss) for the period	(4,335,258)	15,109,379		**10,774,121**
EBITDA (Note 1)	(3,551,981)	20,447,919		**16,895,938**
Adjusted EBITDA (Note 2)	(768,145)	$ 12,009,870		**$ 11,241,725**

Schedule 3 – LEAF Pro Forma including LDRLY and ESG from January 1, 2020

	Q1 2020	**Q2 2020**	**Q3 2020**	**Q4 2020**	**FY 2020**
LEAF Pro Forma including LDRLY and ESG from January 1, 2020					
Revenue	$ 12,975,675	$ 21,746,541	$ 22,818,989	$ 22,966,464	**$ 80,507,669**
Cost of sales	5,914.369	8,407,128	8,360,396	7,965,970	**30,647,863**
Gross profit	7,061,306	13,339,413	14,458,593	15,000,494	**49,859,806**
Operating expenses	8,699,664	10,817,782	12,025,408	12,531,477	**44,074,331**
Other income (expense)	(95,421)	5,293,562	136,271	3,718,510	**9,052,922**
Income tax expense	5,749	477,291	542,633	3,038,603	**4,064,276**
Net income (loss) for the period	(1,739,528)	7,337,902	2,026,823	3,148,924	**10,774,121**
EBITDA (Note 1)	(1,661,347)	8,226,978	2,984,998	7,345,309	**16,895,938**
Adjusted EBITDA (Note 2)	$(1,394,132)	$ 4,155,868	$ 3,280,238	$ 5,199,751	**$ 11,241,725**

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**	**F2020**
Schedule 1 – LEAF as reported in the consolidated financial statements					
Net loss	$ (96,841)	$ (449,564)	$ (858,992)	$ (2,929,861)	**$ (4,335,258)**
Income tax	-	-	-	(969,180)	**(969,180)**
Depreciation and amortization	5,725	344,190	344,189	1,058,353	**1,752,457**
EBITDA	$ (91,116)	$ (105,374)	$ (514,803)	$ (2,840,688)	**$ (3,551,981)**

	Q1 2020	**Q2 2020**	**Q3 2020**	**Q4 2020**	**F2020**
Schedule 2 – ***Pro Forma including LDRLY from January 1, 2020***					
Net income (loss)	$ 197,292	$ (300,947)	$ (858,992)	$ (2,929,861)	**$ (3,892,508)**
Income tax				(969,180)	**(969,180)**
Depreciation and amortization	20,401	338,287	344,189	1,058,353	**1,761,230**
EBITDA	$ 217,693	$ 37,340	$ (514,803)	$ (2,840,688)	**$ (3,100,458)**

	Q1 2020	**Q2 2020**	**Q3 2020**	**Q4 2020**	**F2020**
Schedule 3 – ***Pro Forma including LDRLY and ESG from January 1, 2020***					
Net income	$ (1,739,528)	$ 7,337,902	$ 2,026,823	$ 3,148,924	**$ 10,774,121**

Income tax	5,749	477,291	542,633	3,038,603	**4,064,276**
Depreciation and amortization	72,432	411,785	415,542	1,157,782	**2,057,411**
EBITDA	$ (1,661,347)	$ 8,226,978	$ 2,984,998	$ 7,345,309	**$ 16,895,938**

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**	**FY 2020**
Schedule 1 – LEAF as reported in the consolidated financial statements					
EBITDA	$ (91,116)	$ (105,374)	$ (514,803)	$ (2,840,688)	**$ (3,551,981)**
Stock based comp	-	259,717	259,717	95,439	**614,873**
Public listing and transaction costs	-	790,941	-	1,378,022	**2,168,963**
Adjusted EBITDA	$ (91,116)	$ 945,284	$ (255,086)	$ (1,367,227)	**$ (768,145)**

	Q1 2020	**Q2 2020**	**Q3 2020**	**Q4 2020**	**FY 2020**
Schedule 2 – ***Pro Forma including LDRLY from January 1, 2020***					
EBITDA	$ 217,693	$ 37,340	$ (514,803)	$ (2,840,688)	**$ (3,100,458)**
Stock based comp	-	259,717	259,717	95,439	**614,873**
Public listing and transaction costs	-	790,941	-	1,378,022	**2,168,963**
Adjusted EBITDA	$ 217,693	$ 1,087,998	$ (255,086)	$ (1,367,227)	**$ (316,622)**

	Q1 2020	**Q2 2020**	**Q3 2020**	**Q4 2020**	**FY 2020**
Schedule 3 – ***Pro Forma including LDRLY and ESG from January 1, 2020***					
EBITDA	$(1,661,347)	$ 8,226,978	$ 2,984,998	$ 7,345,309	**$ 16,895,938**
Stock based comp	171,794	431,511	431,511	194,930	**1,229,746**
Public listing and transaction costs	-	790,941	-	1,378,022	**2,168,963**
One time items	95,421	(5,293,562)	(136,271)	(3,718,510)	**(9,052,922)**
Adjusted EBITDA	$(1,394,132)	$ 4,155,868	$ 3,280,238	$ 5,199,751	**$ 11,241,725**

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, estimated useful life of long-lived assets, the fair value of share-based payments, right-of-use asset and lease contract liability and recognition of revenue on a gross versus net basis. These estimates and judgments are further discussed below:

(a) Identification and valuation of intangible assets acquired in business combinations

In a business combination, all identifiable assets, liabilities and contingent liabilities acquired are recorded at their fair values. One of the most significant estimates relates to the determination of the fair value of intangible assets. For any intangible asset identified, depending on the type of intangible asset and the complexity of determining its

fair value, management with assistance from an independent valuation expert develops the fair value using appropriate valuation techniques which are based on a forecast of the total expected future net cash flows. In determining the fair value of the intangible assets at the acquisition date, the Company's significant assumptions include the future net cash flows, royalty rates, attrition rates and in the discount rate applied.
Certain fair values may be estimated at the acquisition date pending confirmation or completion of the valuation process. Where provisional values are used in accounting for a business combination, they may be adjusted retrospectively in subsequent periods. However, the measurement period will last for one year from the acquisition date.

(b) Share-based payments

The fair value of all share-based payments granted are determined using the Black-Scholes option pricing model which incorporates assumptions regarding risk-free interest rates, dividend yield, expected volatility, estimated forfeitures, and the expected life of options. The Company has a significant number of options outstanding and expects to continue to make option grants.

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 December 31, 2020.

MANAGEMENT'S RESPONSIBILITY FOR 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. Based on a review of the Company's internal control procedures, the Company's Chief Executive Officer and Chief Financial Officer believe its internal controls and procedures are appropriately designed and have certified on the operating effectiveness of internal controls as at December 31, 2020.

There have been no material changes in the Company's internal control over financial reporting during the year ended December 31, 2020 that have materially affected, or are reasonably likely to materially affect, internal control over financial reporting.

Disclosure Controls and Procedures

Management is also responsible for the design and effectiveness of disclosure controls and procedures to provide reasonable assurance that material information related to the Company, including its consolidated subsidiaries, which is required to be disclosed by the Company in its filings or required to be submitted by the Company under securities legislation is recorded, processed and summarized and reported within specified time periods. The Company's Chief Executive Officer and Chief Financial Officer have each evaluated the design of the Company's disclosure controls and procedures as at December 31, 2020, and have concluded that these controls and procedures were appropriately designed.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, is the responsibility of management. During the preparation of financial statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities.

Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements.

Management maintains a system of internal controls to provide reasonable assurance that the Company's assets are safeguarded and to facilitate the preparation of relevant and timely information.

The Company's Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Board's Audit Committee meets with management quarterly to review the financial statement results, including the MD&A, and to discuss other financial, operating and internal control matters. The Audit Committee receives a report from the independent auditors annually and is free to meet with them throughout the year.

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 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 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.