



RIWI CORP.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the Three Months Ended June 30th, 2022 and 2021

Containing information up to and including August 25th, 2022

(Expressed in United States Dollars)

RIWI CORP.

Management's Discussion & Analysis

For the Three Months ended June 30, 2022 and 2021

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management's discussion and analysis ("MD&A") details RIWI Corp.'s ("RIWI" or the "Company") operating results and financial condition as at and for the three months ended June 30, 2022 and 2021, and is prepared as at August 25, 2022. This MD&A should be read in conjunction with the Company's unaudited condensed interim financial statements for the three months ended June 30, 2022 and the notes thereto which were prepared in accordance with *International Financial Reporting Standards* ("IFRS") (collectively referred to as the "Financial Statements"), which are available on www.sedar.com. Other information contained in this document has also been prepared by management and is consistent with the data contained in the Financial Statements.

Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with IFRS. The Company's certifying Officers, based on their knowledge, having exercised reasonable diligence, are also responsible to ensure that these filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by these filings, and these Financial Statements together with the other financial information included in these filings fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented in these filings.

The Board of Directors approves the Financial Statements and MD&A and ensures that management has discharged its financial responsibilities. The Board's review is accomplished principally through the Audit Committee, which meets periodically to review all financial reports, prior to filing.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking information, future-oriented financial information, or financial outlooks (collectively, "forward-looking information"), which includes disclosure regarding possible events, conditions or financial performance that is based on assumptions about future economic conditions and courses of action. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "seeks," "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates", "projects", "budgets", "forecasts", "does not anticipate", "believes", "objective", "strives" or variations of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results, performance or achievement may vary materially from those expressed or implied by the forward-looking information contained in this MD&A. These risk factors should be carefully considered and readers are cautioned not to place undue reliance on forward-looking information, which speaks only as of the date of this MD&A. All subsequent forward-looking information attributable to the Company herein is expressly qualified in its entirety by the cautionary statements contained in or referred to herein. The Company does not undertake any obligation to release publicly any revisions to this forward-looking information to reflect events or circumstances that occur after the date of this MD&A or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

ADDITIONAL INFORMATION

Additional information relating to the Company is available from the SEDAR website at www.sedar.com, under the Company's profile.

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RIWI OVERVIEW

RIWI Corp. ("RIWI" or the "Company") is a public company and its shares are all common shares listed on the TSX Venture Exchange (TSXV: RIWI). The Company was incorporated under the laws of Canada pursuant to the Canada Business Corporations Act on August 17, 2009. The Company's head office is located at 180 Bloor Street West, Suite 1000, Toronto, Ontario, M5S 2V6 and RIWI's registered office is located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, BC, V6C 2X8.

RIWI's vision is to be the most trusted and transparent source of global data. To be the most trusted and transparent source of global data means, first, that RIWI needs to monetize data sets that our customers consider mission-critical. Second, it means that we need to lead the global data industry in our transparency in terms of how we collect and aggregate new, impactful data feeds. Third, it means we need to leverage our proven strengths and our unique pedigree – RIWI's clients include some of the most data-sophisticated groups in the world and our work has been peer-reviewed in top academic journals – to build new subscription-based products that meet our clients' growing and diverse data needs. RIWI's offerings will expand to include other types of alternative data which offer new and combined products and data solutions for customers. As we move forward towards fulfilling our vision, RIWI will offer customers both a portal platform from which they can source all of their essential data needs as well as a technology and analytics tool suite within the platform to analyze and manage the diverse data which they can purchase. As the global data market is large and growing rapidly – and the requirements across different customer segments are considerable – RIWI has chosen to focus on three main customer segments: (i) International Development, (ii) Financial Services, and (iii) Public Health and Health Systems. In addition, we have been receiving interest in a new customer segment called Public Policy and Macroeconomics that we are exploring. Management has selected these customer segments based on feedback from our clients, the strategic review completed in the fourth quarter of 2021, the competitive landscape and addressable markets, and the opportunity for RIWI's existing technology to win annual recurring revenues in these segments.

The Company currently provides a global trend-tracking and prediction technology platform. Our patented, cloud-based software solutions provide a global digital intelligence platform to clients seeking real-time consumer and citizen sentiment data anywhere in the world in order to improve business performance, evaluate program effectiveness, enhance customer engagement, identify misinformation online, and monitor emerging threats before these threats escalate to violence. After the close of Q2, RIWI also announced the acquisition of Research on Mobile (ROM), a platform that matches survey respondents with global survey marketplaces – such as Dynata, Netquest, Cint and Lucid – dynamically, offering RIWI new, transactional revenues. This acquisition will enhance our platform enabling us to support incentivized surveys and longer form surveys.

The RIWI platform empowers customers to not only collect sentiment data, but also to perform message testing and conduct marketing campaigns that reach people online who are not engaged by traditional digital marketing campaigns. RIWI has several unique selling propositions, including: (i) an option to avoid the collection, storage and transfer of personally identifiable information ("PII"), (ii) the ability to be in field collecting data, in any country, within 12 to 24 hours to support rapid-response needs, and (iii) data science capabilities and real-time dashboard analytics for multiple users dispersed across the globe at any client organization.

RIWI customers can benefit from not only leveraging our platform for data collection and analytics, but can also benefit from buying data-only RIWI subscriptions. More RIWI customers are leveraging RIWI in a Data-as-a-Service (DaaS) model as we build out our global database of information and develop more long-term subscription-based trackers. The RIWI platform currently stores over 2 billion responses from interviewees to RIWI surveys across 229 countries. In keeping with our vision to be the world's most trusted and transparent source of global data, much of the RIWI data now being collected can be monetized for broader commercialization with new clients over time. Some illustrative examples of work undertaken in the second quarter of 2022 include: data predicting the outcome of elections in Israel, data on changing military tensions between countries, data on media literacy, information on the online 'gig' economy, and on the displacement of people in Ukraine.

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1. RIWI Highlights for the three months ended June 30, 2022 – in US Dollars:

- a) RIWI completed the acquisition of Research on Mobile (ROM) on July 1, 2022. ROM is a leading research platform that profiles survey respondents and dynamically matches them to global research marketplaces from which commercial customers buy data. Under the terms of the arms-length transaction, a total purchase consideration of USD \$525,000 of cash ("Consideration") was agreed to in connection with the closing of the transaction. The Consideration includes \$125,000 held back for any post-closing adjustments. In addition, the sellers of ROM may be entitled to receive additional earn-out payments subject to the satisfaction of certain revenue and profitability targets as well as employee retention targets for the 2022, 2023 and 2024 RIWI fiscal years. There is no ROM revenue included in RIWI's second quarter results, however, there are \$78,375 costs that are included as part of the transaction. ROM-related revenues will be included in the Company's results beginning the third quarter of 2022.
- b) RIWI signed 12 new client contracts in the three months ended June 30, 2022, including contract signings with three new RIWI customers.
- c) RIWI earned \$368,680 in revenues in the second quarter of 2022 compared to \$1,260,250 for the three months ended June 30, 2021. As a result of the Company's strategic focus in 2022 of subscription-based products and annual recurring revenues in addition to traditional projects, RIWI's year-over-year decrease in revenue for the three months ended June 30, 2022 is partially due to the transition away from shorter-term, project-based initiatives which historically enabled the Company to recognize a majority of revenues for most projects soon after any project launch. The second quarter's revenue decline was also affected by a delay in revenue recognition of approximately \$400,000, which, historically, has been recognized by the Company in the second quarter, but this year did not meet the IFRS revenue recognition criteria as of June 30, 2022. Management fully expects to recognize this revenue since the work with this customer is ongoing in nature. The decrease is also a result of the departure from the Company of salespeople selling mainly professional services projects; the Company continues to recruit new sales and technical personnel focused on selling data products and subscriptions. The Company remains committed to increasing its customer base and recurring revenue streams, along with focusing on sales activities and building out our sales-focused partnership ecosystem to win new, long-term and recurring business. This decrease in revenues – and technical costs incurred in the development of subscription-based products – resulted in a net loss of \$658,318 for the three months ended June 30, 2022, as compared to a net profit of \$45,241 for the three months ended June 30, 2021.
- d) For the period ending June 30, 2022 the Company's total cash and cash equivalents were \$3,235,078, as compared to \$3,257,147 for the period ending June 30, 2021, representing a year-over-year decrease of \$22,069, a decrease of less than 1 percent. Prepaid expenses and other current assets include an amount of \$379,604 wired for the upfront payment of ROM on July 1, 2022.
- e) RIWI received a substantial increase, as compared to the quarter ending June 30, 2021, in high-profile international recognition – such as peer-reviewed academic journals, client reports and in international media – for its innovative technology, data quality, and access to global data. This external recognition includes: a validation of RIWI's technology as an effective system to collect Covid-19 vaccination rates in real-time across the United States, co-authored by researchers at Johns Hopkins University and Emory University, published in the *Journal of Medical Internet Research*; academic papers published in *PLoS One* and the *International Journal for Quality in Health Care*; a study published in the *British Medical Journal Global Health*, authored by researchers at Boston University; reports published by The Wilson Center, The Carter Center, and the UN World Food Programme; a public event hosted by The Center for Strategic and International Studies; and, articles on RIWI in international media, including *Business Insider*, *Bloomberg*, *The Diplomat*, *Yahoo News*, *bne IntelliNews*, *China Times*, *Deutsche Welle*, *The Toronto Star*, and *Harvard Business Review*.

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2. Evolving Revenue Mix

On July 1, 2022 RIWI announced that it had completed the acquisition of Research on Mobile (ROM). ROM was a strategic acquisition for many reasons, including its ability to provide RIWI with a new revenue stream that is being categorized as transactional revenue. RIWI now enjoys three revenue types:

- a) **Recurring revenue:** Recurring revenue is revenue where a customer subscribes to either the RIWI platform or to one of its data products. Customers typically sign up for 12 months or more or have no predetermined end date. Revenue in this category is recognized every month and is highly repeatable. RIWI has been focused on developing this revenue stream through the development of new data products. This revenue stream is also highly scalable as data is sourced once and can be resold often to multiple clients. The margins on this type of revenue also increases with every sale as there is no additional marginal cost (except sales-associated costs) and the fixed costs can be dispersed across a larger customer pool.
- b) **Project-based revenue:** Project-based revenue is the traditional RIWI revenue where customers purchase RIWI to do a specific survey or digital message test in one or more countries. Project-based revenue can vary from short-term projects (e.g. less than one month) to longer projects that have multiple waves or milestones and can last over nine months. This type of revenue scales with both people and technology, thus requiring RIWI to hire more staff when there is a large uptick in business. RIWI now has a sales-focused customer service team that is incentivized to quickly transition project-based revenue into recurring revenue, depending on the needs and budget of the client.
- c) **Transactional revenue:** Transactional revenue refers to the revenue arising from the ROM acquisition and is generated every time the ROM system matches a survey respondent to an active survey commissioned on one of the global research marketplaces and the respondent completes the survey. Transactional revenue scales by increasing the conversion rates of survey respondents being matched and completing specific surveys as well as by increasing our respondent pool. To quantify the opportunity for scale, the ROM platform currently matches approximately 1,800 respondents per day out of the approximately 100,000 survey responses requested. Increasing the conversion rates as well as integrating more respondents into the platform as well as more survey marketplaces will greatly increase revenue without the need for associated labor.

RIWI has a goal of achieving a revenue mix that is 60 percent recurring, 20 percent transactional and 20 percent project-based by the end of 2024. No ROM revenue was recognized in the second quarter of 2022, and, therefore, all revenue in the second quarter was either recurring or project-based. As noted in our MD&A for the first quarter of 2022, RIWI began the process of converting project-based revenue to recurring revenue in the current fiscal year and thus the majority of revenue today is still project-based revenue, however the mix is changing.

3. Roadmap for Growth

As management noted in its MD&A for the 2021 fiscal year end, RIWI has a combined organic and acquisition-focused growth strategy that is centered around being the most trusted and transparent source of global data for our customers. This requires us to build a fully integrated data platform, including new analytics tools and combined data feeds, with the goal of providing an excellent user experience to all of our customers. As we grow our business through our organic and a value-based acquisition strategy, RIWI will be collecting a critical set of important new customers that will enable us to upsell and cross-sell new data products, thereby significantly reducing our current costs associated with new customer acquisition. This strategy also helps us increase the lifetime value of an increasingly diverse customer base.

RIWI's strategy for organic growth includes hiring key industry experts in the verticals that we have chosen to focus on as well as building subscription products that will enable RIWI to build longer-term recurring and repeatable revenue. In terms of industry experts, RIWI has promoted Danielle Goldfarb from our research department to lead a new customer segment for us, namely, the Public Policy and Macroeconomic customer segment. This move has already resulted in significant pipeline generation. The current labor marketplace has made the recruitment and retention of technically-oriented personnel and industry experts challenging for many technology companies, including RIWI. While we are focused on identifying and hiring new sales staff, the labor market is hyper-competitive and recruitment has been slower than expected.

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3. Roadmap for Growth (continued)

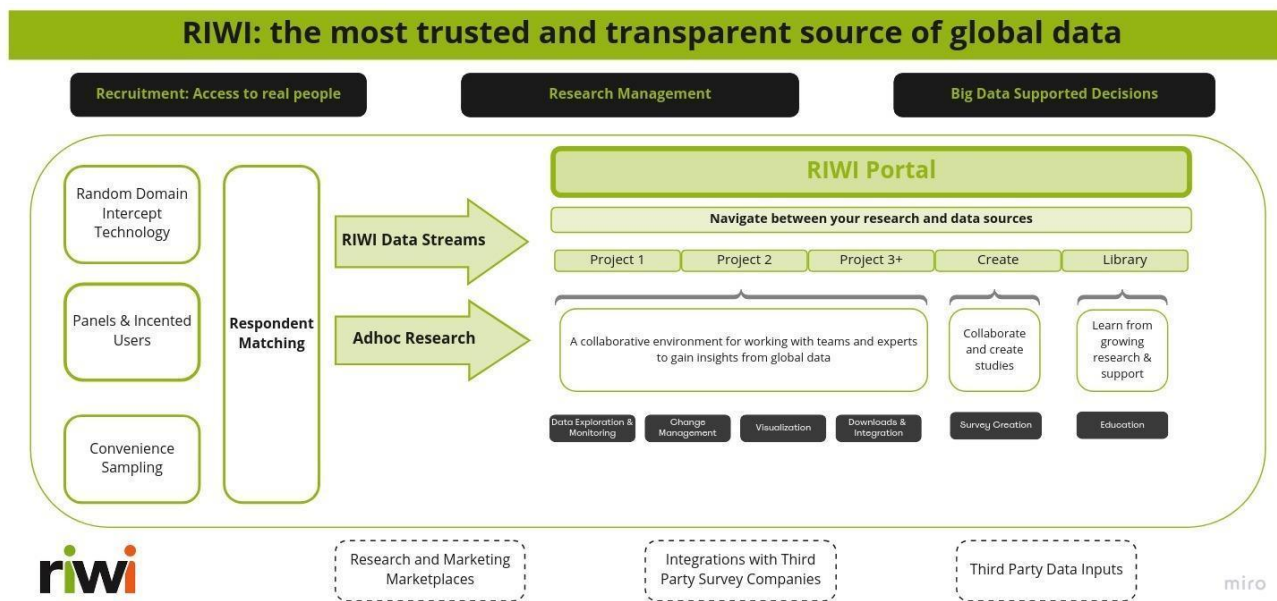
On the subscription product side of our business, we continue to evaluate new potential subscription products as well as invest in our Compass series of indices with our partner David Woo, a macroeconomist who works with RIWI to sell into the Financial Services customer segment. RIWI expects the Compass data series to be profitable on a run-rate basis by the end of the fourth quarter, which is on schedule with our strategic plan.

For growth through acquisition, RIWI is focused on both acquisitions that are accretive in value to shareholders, and on existing customer value-add acquisitions. The ROM acquisition adds significant value to existing customers by providing RIWI with additional survey sample and support for longer, incentivized surveys that appeal to a large number of clients in our priority customer segments. To that end, a first integration between the RIWI and ROM platforms has already occurred, enabling a significant RIWI customer to leverage the respondents from the ROM system. In terms of broader mergers and acquisition (M&A) activity, RIWI continues to evaluate other accretive acquisitions and is currently in discussions with several other potential acquisitions at various stages of our M&A process, some of which have the possibility to close in the 2022 fiscal year. Management can offer no assurances, however, that the Company will be able to complete any additional acquisitions in the current calendar year as our M&A roadmap requires careful evaluation of all potential acquisitions.

4. Platform: Innovating and Investing Strategically to Drive Future Growth

RIWI’s patented Random Domain Intercept Technology, which powers our current platform, continues to be a differentiator for us and enables us to win large projects, especially in countries such as China, and smaller countries across the world that are extremely challenging for most of our competitors to access. Our customers consistently provide us very positive feedback on the results we deliver with our platform.

Our platform was designed for very large high-touch full-service customers that requested ongoing professional services. However, the market is changing and many of our customers, especially in the academic sector and in the public policy research sectors, want to leverage our technology, but wish to use it in a more self-service fashion or use it in a manner that integrates seamlessly into their other applications. These requirements and several others have led RIWI to the conclusion that we need to both maintain our current platform and build a new RIWI 2.0 platform with scalability, multi-tenant architecture and deep integration capabilities. This new platform has been designed to work in conjunction with the ROM platform and we expect a first release of the new platform to be in use with customers in the fourth quarter of 2022, and with all functionality and all customers fully migrated to this new platform by the end of 2023. A vision of what is coming within the RIWI platform is illustrated below:



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4. Platform: Innovating and Investing Strategically to Drive Future Growth (continued)

Feedback from our customers tells us that if we can deliver more of this enriched functionality, our customers will be willing to license not only our data, but also license access to our platform, providing RIWI both high-margin SaaS-based revenue and Data-as-a-Service ("DaaS") revenue – both of which fall within the recurring revenue.

category of revenues described earlier in this MD&A. For this reason, RIWI is investing in growing our product development team in order to better support our customers and to win new customers. Shareholders should therefore expect to see an increase in research and development costs in the coming quarters as we increase resources devoted to building out new technical enhancements to our platform.

RIWI is committed to moving forward and accelerating all aspects of our business to fulfill our vision to be the world's most trusted and transparent source of global data. This path means: (i) an unwavering commitment to excellence in customer service, (ii) building out the RIWI technical and sales team, (iii) innovating our platform, (iv) bringing new data products to market and (v) exploring strategic M&A.

FINANCIAL RESULTS (in U.S. Dollars)

The following is a discussion of the results of operations of the Company for the three months ended June 30, 2022 and 2021. The results should be read in conjunction with the unaudited interim condensed financial statements for the three months ended June 30th, 2022.

Financial Results	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Revenues	\$ 368,680	\$ 1,260,250	\$ 1,266,078	\$ 2,355,456
General and administrative expenses	(552,884)	(437,140)	(1,113,188)	(869,897)
Sales and marketing expenses	(305,021)	(394,651)	(587,682)	(802,033)
Technology costs	(236,878)	(356,130)	(525,905)	(643,725)
Net interest (expense)/income	9,203	(1,351)	10,756	(2,705)
Income tax expense	58,582	(25,737)	116,843	(34,494)
Net (loss)/income and comprehensive (loss)/income	\$ (658,318)	45,241	\$ (833,099)	2,603
Net (loss)/income per share: basic	\$ (0.04)	\$ 0.00	\$ (0.05)	\$ 0.00
Net (loss)/income per share: diluted	\$ (0.04)	\$ 0.00	\$ (0.05)	\$ 0.00

	June 30, 2022	June 30, 2021
Total assets	\$ 4,408,417	\$ 5,354,693
Total non-current liabilities	388	47,286

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1. Operating Expenses**(a) General and Administrative Expenses**

	Three Months Ended June 30		Six Months Ended June 30	
	2022	2021	2022	2021
Personnel costs	\$ 155,618	\$ 167,891	\$ 322,965	\$ 357,720
Director cash compensation	114,641	83,291	231,792	169,462
Consulting and professional fees	106,619	89,798	203,026	120,841
Office and general administrative costs	85,646	49,449	164,869	101,240
Share-based payment expense	69,066	34,895	134,918	100,623
Depreciation	16,449	16,432	32,973	32,334
Foreign exchange loss	4,845	(4,616)	22,645	(12,323)
	\$ 552,884	\$ 437,140	\$ 1,113,188	\$ 869,897

(b) Sales and Marketing Expenses

	Three Months Ended June 30		Six Months Ended June 30	
	2022	2021	2022	2021
Personnel costs	\$ 142,726	\$ 255,525	\$ 268,999	\$ 527,516
Third party consulting fees	135,429	99,545	219,143	185,742
Promotion and travel	26,866	39,581	50,080	53,302
Recruiting fees	-	-	49,460	35,473
	\$ 305,021	\$ 394,651	\$ 587,682	\$ 802,033

(c) Technology Expenses

	Three Months Ended June 30		Six Months Ended June 30	
	2022	2021	2022	2021
Personnel costs	\$ 41,224	\$ 57,899	\$ 87,085	\$ 117,084
Third party consulting fees	9,994	35,445	13,107	60,769
Project costs	185,660	262,786	425,713	465,872
	\$ 236,878	\$ 356,130	\$ 525,905	\$ 643,725

(d) Government Subsidies

The governments of various jurisdictions have approved legislation and taken actions intended to aid businesses that have been adversely impacted by COVID-19. Some of these actions include providing subsidies to eligible entities to subsidize or offset qualifying expenses. RIWI received \$4,966 of the Canadian Emergency Wage Subsidy ("CEWS") subsidy from the Government of Canada during the six months ended June 30, 2021, and have recorded the CEWS subsidy received as a reduction in general and administrative expense of \$1,300, as a reduction in sales and marketing expenses of \$3,143 and as a reduction in technology expenses of \$523. RIWI received \$2,549 of the Canadian Emergency Rent Subsidy ("CERS") subsidy from the Government of Canada during the six months ended June 30, 2021, and have recorded the CERS subsidy received as a reduction in general and administrative expense. Consulting and professional

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2. Financial Performance for the three months ended June 30, 2022 and 2021 – in US Dollars:

Revenues are fees that are charged to customers for providing digital surveys or ad tests and automated analytics of the findings. RIWI's revenue for the three months ended June 30, 2022 decreased by 71 percent or \$891,570 representing a decline from \$1,260,250 to \$368,680. As a result of the Company's strategic transition to subscription-based products and annual recurring revenues and the departure of certain sales personnel, RIWI missed its internal revenue targets for the second quarter of 2022. In addition, the second quarter's revenue decline was also affected by a delay in revenue recognition of approximately \$400,000, which, historically, has been recognized by the Company in the second quarter, but this year did not meet the IFRS revenue recognition criteria as of June 30, 2022. Management fully expects to recognize this revenue in the current calendar year, since the work with this customer is ongoing in nature. The Company remains committed to increasing its customer base and recurring revenue streams, along with focusing on sales activities and building out our sales-focused partnership ecosystem to win new business. At this time, RIWI expects revenues to be lower, relative to 2021, for the remainder of the 2022 fiscal year as we continue to rebuild the sales team and lay the groundwork for a more scalable, high-margin platform in 2023.

Total operating expenses decreased by \$93,138 for the three months ended June 30, 2022 compared to the three months ended June 30, 2021. The key expenses are summarized as follows:

- a) **General and administrative expenses** increased by \$115,744 to \$552,880 during the three months ended June 30, 2022 as compared to the three months ended June 30, 2021 related to cash compensation of \$114,641 for RIWI's independent directors with the addition of director-related compensation for our former CEO, compared to cash compensation of \$83,291 for the same period in 2021. Additionally, in the second quarter of 2022, the share-based payment expense of the Company has increased by \$34,171 compared to the second quarter of 2021. Finally, office and general administrative costs have increased by \$36,197 compared to the second quarter of 2021 because of consulting fees for administration and consulting fees from our former CEO. Consulting and professional fees as well as office and general administrative costs also include \$78,375 related to the acquisition of July 1, 2022.
- b) **Sales and marketing expenses** decreased by \$89,630 to \$305,021 during the three months ended June 30, 2022 as compared to the three months ended June 30, 2021. Payroll costs and sales-related commissions decreased in the second quarter of 2022 as compared to the second quarter of 2021, as a result of the Company having ended its contractual agreements with certain sales and marketing staff and consultants. RIWI intends to hire additional sales personnel and expects this expense to increase in the remainder of the current calendar year depending on how quickly RIWI can hire exceptional sales talent. RIWI is committed to investing in new sales and marketing initiatives in order to build annual recurring revenues and subscription-based sales for new and existing customers.
- c) **Technology expenses** decreased by \$119,252 to \$236,878 during the three months ended June 30, 2022 as compared to the three months ended June 30, 2021. Project-related costs decreased in the second quarter of 2022 as compared to the second quarter of 2021, due primarily to lower revenue.

RIWI's loss before interest and taxes was \$726,103 for the three months ended June 30, 2022, as compared to the Company's profit before interest and taxes of \$70,978 for the three months ended June 30, 2021.

RIWI's income tax recovery for the three months ended June 30, 2022 was \$58,582, compared to an expense of \$25,737 for the three months ended June 30, 2021. Prior to 2022, the Company assessed income tax matters on an annual basis, and the Company had historical tax losses to use against any taxable income it generated.

For the many reasons noted earlier in this MD&A, RIWI incurred a net loss of \$658,318 for the three months ended June 30, 2022, as compared to a net profit of \$45,241 for the three months ended June 30, 2021. RIWI is committed to investing its cash reserves to recruit new sales and business development personnel with deep expertise in RIWI's priority customer segments, and to recruit technical personnel in order to expand the Company's product suite for new recurring revenues and for enhanced functionality for our platform.

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SUMMARY OF QUARTERLY RESULTS – in US Dollars:

This is a summary of selected results for the eight most recently completed quarters to June 30, 2022.

Summary of Quarterly Results <i>(in US Dollars)</i>	2022		2021				2020	
	Jun. 30	Mar. 31	Dec. 31	Sep. 30	Jun. 30	Mar. 31	Dec. 31	Sep. 30
Revenues	\$ 368,680	\$ 897,398	\$ 621,705	\$1,158,541	\$1,260,250	\$1,095,205	\$1,317,838	\$ 940,019
Income/(loss) from operations	(726,103)	(234,595)	(472,774)	(17,263)	72,329	(32,528)	242,351	71,526
Net income/(loss)	(658,318)	(174,781)	(473,604)	(173,667)	45,241	(42,639)	(33,504)	74,457
Net income/(loss) per share:								
basic	\$ (0.04)	\$ (0.01)	\$ (0.02)	\$ (0.01)	\$ 0.00	\$ (0.00)	\$ (0.00)	\$ 0.00
diluted	(0.04)	(0.01)	(0.02)	(0.01)	0.00	(0.00)	(0.00)	0.00

RIWI has historically had strong revenues on an annual basis and, as noted throughout this MD&A, is in a strategic transformational process to rely less on project-based revenues and more on annual recurring revenues and SaaS-based subscription products. RIWI continues to invest in sales and partnership initiatives to ensure long-term, predictable growth and strong gross margins.

LIQUIDITY AND CAPITAL RESOURCES

As at June 30, 2022, the Company had working capital of \$3,658,682 as compared to working capital of \$4,464,062 as at December 31, 2021.

	June 30, 2022	December 31, 2021
Current Assets	\$ 4,184,608	\$ 4,905,646
Current Liabilities	(525,926)	(441,584)
Working Capital	\$ 3,658,682	\$ 4,464,062

Contractual Obligations and Commitments

The Company's head office currently shares space with a third-party firm, and RIWI is responsible for 50 percent of the monthly lease payments. The Company's lease payments are \$4,394 per month and the office lease expires on May 31, 2023.

Contractual obligations	Total	Payments due by period		
		Jul. 1, 2022 - Dec. 31, 2022	Jan. 1, 2023 - Dec. 31, 2024	Jan. 1, 2025 - beyond
Office leases	\$ 48,338	\$ 26,366	\$ 21,972	-

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CAPITAL STRUCTURE

a) **Common Shares:** The Company has 18,004,428 issued and outstanding common shares.

b) **Stock Options:** The Company has 1,837,917 options outstanding.

Common Shares on a Diluted Basis

Expiry date	Exercise Price (CAD)	Number of securities	Number of shares
Common shares issued and outstanding			18,004,428
Stock options, at weighted average exercise price expiring in the year ending:			
Dec. 31, 2023	\$ 2.00	390,000	
Dec. 31, 2024	\$ 3.25	370,000	
Dec. 31, 2025	\$ 3.56	88,812	
Dec. 31, 2026	\$ 1.92	499,244	
Dec. 31, 2027	\$ 0.89	489,861	
	\$ 2.01		1,837,917
Common shares, on a diluted basis			19,842,345

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

For the six months ended June 30, 2022, the Company provided cash compensation to directors in the amount of \$231,792 (2021 - \$169,462), and recognized share-based payment expenses of \$134,918 (2021 - \$100,623) for stock options granted to the independent directors and executives. Additionally, Neil Seeman, the Company's founder and non-executive Chairman of the Board, is also acting as a consultant for the Company and received cash compensation of \$62,103 for his consulting services in the first six months ended June 30, 2022.

RIWI CORP.

Management's Discussion & Analysis

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FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

As at June 30, 2022, the Company's financial instruments are cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities. The carrying values of these financial instruments reflected in the statement of financial position are carrying amounts and approximate their fair values due to their short-term nature. These financial instruments are classified as follows:

- Cash and cash equivalents – amortized cost
- Accounts receivable – amortized cost
- Accounts payable and accrued liabilities – other financial liabilities

The evaluation of the financial instruments that are measured subsequent to initial recognition at fair value are grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 of the fair value hierarchy includes unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 of the hierarchy includes inputs that are observable for the asset or liability, either directly or indirectly; and
- Level 3 includes inputs for the asset or liability that are not based on observable market data.

The Company has no financial instruments measured at fair value through the Statement of Profit or Loss.

The following is a discussion of the Company's risk exposures:

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's trade accounts receivable are due from customers and are subject to normal credit risk. The following table provides information regarding the aged trade receivables:

	Current	31-60 days	61-90 days	91 days +
June 30, 2022	83%	0%	17%	0%
December 31, 2021	78%	20%	0%	2%

At each period end, the Company reviews the collectability of outstanding accounts receivable and estimates a credit loss provision. The specific accounts are only written off once all the collection avenues have been explored or when legal bankruptcy has occurred. The Company has a \$nil balance for allowance for doubtful accounts as at June 30, 2022 and December 31, 2021.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they are due. The Company has in place a planning and budgeting process which helps determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company's financial liabilities consist of accounts payable and accrued liabilities and consist of invoices payable to trade suppliers for online advertising technology services, server hosting, general and administrative, and other expenses and are paid within one year. The Company expects to fund these liabilities through the use of existing cash resources and its continuing operations.

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FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS (continued)

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Company's net earnings or the value of financial instruments. The objective of the Company is to manage and mitigate market risk exposures within acceptable limits, while maximizing returns.

- (i) *Interest rate risk*: The Company has cash balances and no interest-bearing debt, and is not exposed to any significant interest rate risk.
- (ii) *Foreign currency risk*: The Company's activities are conducted in foreign jurisdictions; the majority of the Company's operating expenses are in Canadian dollars; and a portion of the Company's cash and cash equivalents is denominated in Canadian dollars. The Company has not entered into foreign exchange rate contracts to mitigate this risk.

As at June 30, 2022, financial instruments were converted at a rate of US \$1.00 to CAD \$1.2887. Balances denominated in foreign currencies as at June 30, 2022 were as follows:

	In CAD	Converted to USD
Cash and cash equivalents	\$ 159,915	\$ 124,094
Accounts receivable	\$ 61,810	\$ 47,965
Accounts payable and accrued liabilities	\$ 27,577	\$ 21,399

The estimated impact on net loss for the six months ended June 30, 2022 with a +/- 10% change in Canadian Dollar exchange rate is approximately \$60,000 (2021 – \$90,000).

RECENT ACCOUNTING PRONOUNCEMENTS

There are no recent accounting pronouncements that materially affect the Company.