ICEsoft Technologies Canada Corp.
Interim Management Discussion and Analysis – Quarterly Highlights
For the period ended March 31, 2021

MANAGEMENT'S DISCUSSION & ANALYSIS – QUARTERLY HIGHLIGHTS

This Management's Discussion & Analysis – Quarterly Highlights ("MD&A") is intended to provide readers with supplemental information that management ("Management") of ICEsoft Technologies Canada Corp. ("ICEsoft" or "ICEsoft Technologies" or the "Corporation" or the "Company"), believes is required to gain an understanding of the financial results of the Corporation for the three months ended March 31, 2021 and March 31, 2020 and to assess the Corporation's future prospects.

Accordingly, certain sections of this report contain forward-looking statements and forward-looking information (collectively, "Forward-Looking Information") as defined under applicable Canadian securities laws, which are based on current plans and expectations (see under the heading "Special Note Regarding Forward Looking Information"). Additional information relating to ICEsoft is available under ICEsoft's profile on www.sedar.com.

This MD&A, presented and dated as of May 27, 2021, should be read in conjunction with the audited consolidated financial statements and related notes for the years ended December 31, 2020, and December 31, 2019

The Corporation's consolidated financial statements have been prepared on a "going concern" basis, which presumes that the Corporation will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The operations of the Corporation have been primarily funded through private placements of equity and debt. The continued operations of the Corporation are dependent on the Corporation's ability to generate profitable operations in the future, to receive continued financial support from shareholders, and/or to complete sufficient equity and debt financings. In making its going concern assessment, management is aware of material uncertainties related to events and conditions that may cast significant doubt upon the Corporation's ability to continue as a going concern. The consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the going concern assumption was inappropriate; these adjustments could be material.

All currency amounts in the accompanying financial statements and this MD&A are in Canadian dollars unless otherwise noted.

Special Note Regarding Forward-Looking Information

Certain statements contained in this MD&A constitute "forward-looking statements". These statements, identified by words such as "plan," "anticipate," "believe," "estimate," "should," "expect" and similar expressions include our expectations and objectives regarding our future financial position, operating results and business strategy. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of ICEsoft to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; speed of market adoption; reliance on reseller and partners; limited operating history of ICEsoft; market fluctuations; and retention of key personnel.

Forward-looking statements are based on a number of material factors and assumptions, including that: ICEsoft shall be successful in its attempts to raise working capital in the near to medium term future; the market demonstrates ongoing adoption of new technologies; there is no material change to the competitive environment; and ICEsoft will be able to access and retain sufficiently qualified technical, sales and marketing staff. While ICEsoft considers these assumptions may be reasonable based on information currently available to it, these assumptions may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in the section “Risk Factors”.

New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on our business or the extent to which any factor, or combination of such factors, may cause actual results to differ materially from those contained in any forward-looking statement.

This MD&A includes market and industry data that has been obtained from third-party sources, including industry and market analyst publications. Management believes that this industry data is accurate and that its estimates and assumptions are reasonable, but there is no assurance as to the accuracy or completeness of this data. Third-party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance as to the accuracy or completeness of included information. Although the data is believed to be reliable, we have not independently verified any of the data from third-party sources referred to in this MD&A or ascertained the underlying economic assumptions relied upon by such sources.

ICEsoft advises shareholders to review the reports and documents it files from time to time with the securities regulatory authorities on SEDAR at www.sedar.com.

Corporate Structure

ICEsoft Technologies Canada Corp. (the "Corporation" or "ICEsoft"), was incorporated on May 10, 2002 under the Canada Business Corporations Act. ICEsoft and its subsidiaries develop and license a comprehensive suite of web technologies and Software as a Service (SaaS) solutions for both enterprise and government clients. The Corporation’s primary products consist of the Clickware products including ICEfaces and ICEpdf, and the SaaS-based Voyent Alert! Notification Service licensed to government and enterprise clients on a subscription basis.

ICEsoft’s head office is located at 261, 3553 31st Street NW, Calgary, Alberta, Canada, T2L 2K7.

The consolidated financial statements of the Corporation as at and for the quarters ended March 31, 2021 and March 31, 2020 consist of the Corporation and its wholly owned subsidiaries. ICEsoft wholly owns ICEsoft Technologies Holdings Ltd, which acts as the Corporation’s main Canadian operating entity; and wholly owns ICEsoft Technologies Inc, incorporated in the State of Delaware, which is the United States operating entity.

Basis of Presentation

This review of the results of operations should be read in conjunction with the consolidated financial statements for the quarter ended March 31, 2021 and March 31, 2020 as well as the year ended financial statements and MD&A as at December 31, 2020, and December 31, 2019. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The consolidated financial statements were approved and authorized for issue by the Board of Directors on May 27, 2021.

Certain supplementary measures in this MD&A do not have any standardized meaning as prescribed under IFRS and, therefore may not be comparable with calculation of similar measures for other entities and should be considered non-IFRS measures. These measures are described and presented in order to provide information regarding the Corporation’s financial and operational results, liquidity and ability to generate funds to finance its operations. These measures are identified and presented where appropriate together with reconciliations to the equivalent IFRS measures; however, they should not be used as an alternative to IFRS measures because they may not be consistent with calculations of other companies. These non-IFRS measures and certain operational definitions used by the Corporation, are further explained below.

EBITDA and Adjusted EBITDA

EBITDA refers to net income before interest, taxes, depreciation and amortization.

Adjusted EBITDA is calculated as EBITDA before expenses associated with debt extinguishment, stock-based compensation, and government assistance programs associated with COVID-19.

These measures do not have a standardized definition prescribed by IFRS and, therefore, may not be comparable to similar captioned terms presented by other users. Management believes that EBITDA and adjusted EBITDA are key indicators for the results generated by the Corporation's core business activities because they eliminate non-recurring items as well as the impact of finance and tax structure variables that exist between entities.

Cash-Based Net Operating Income

IFRS includes non-cash expenses associated with compensation as part of operating expenses. Management chooses to remove these item from operating expenses and Net Operating Income when discussing cash based net operating income performance with readers of the MD&A.

Communities Under Service

A key metric used by Management is the number of Communities that are covered by contract to receive Voyent Alert! services. This metric reflects overall Voyent Alert! service customer uptake.

Addressable Population

Addressable Population represents the sum of the populations of all communities and regional districts covered by the Voyent Alert! service. It represents the maximum number of potential subscribers across the system.

Annualized Fees per Resident

A key metric used by Management to monitor customer contract value is the Annualized Fees per Resident ("AFR"). AFR is expected to increase over time as usage increases and communities subscribe to new services available on the platform (i.e. Lone Worker Monitoring, 311 Services etc.) It is determined as:

$$\frac{\text{Total Trailing 12 months fees from the Community}}{\text{Addressable Population of Community}}$$

Basis of consolidation

The financial information contained within this MD&A include the accounts of the Corporation and its subsidiaries. All intercompany transactions have been eliminated in the consolidated financial statements. Subsidiaries are those entities that the Corporation controls by having the power to govern the financial and operating policies of the entity. The existence and effect of potential voting rights that are currently exercisable are considered when assessing whether the Corporation controls another entity. Subsidiaries are fully consolidated from the date on which control is obtained by the Corporation and are subsequently deconsolidated from the consolidated financial statements on the date that control ceases.

General Business Outlook

ICEsoft believes that its Voyent Alert! Service offers significant differentiation to conventional alerting and community engagement services, and that this differentiation will continue to drive material adoption across the Canadian market throughout 2021 and 2022. The Company launched into the US market in January 2021 and expects to see growing market traction as the impact of COVID-19 on municipalities begins to abate. The average subscription price per community is expected to climb as the service is adopted by increasingly larger communities over time and additional feature upsell opportunities become available.

During 2021, Management is continuing the expansion of its Voyent Alert! service into enterprise and corporate markets and to expand its community engagement and health and safety services offerings with the introduction of lone-worker monitoring capabilities and 311 community reporting services.

Management believes that ICEsoft's core/legacy business products and increasing Voyent Alert! sales will generate sufficient income and cashflow for ICEsoft to remain solvent to meet its financial obligations, however the Corporation has not yet been able to generate the transaction volumes required to create positive cash flows from operations. Whether and when the Corporation can generate sufficient operating cash flows to pay for its expenditures and settle its obligations as they fall due subsequent to March 31, 2021 is uncertain. Until this time, management may have to raise funds by way of debt or equity issuances or implement reductions in its overheads and marketing efforts to reach cashflow positive.

Voyent Alert! sales continue to see recovery in 2021, with the Company extending coverage to 31 new communities in Q1 for a total of 228 communities across Canada, a 16% increase in base coverage over Q4 2020. Despite these growth numbers, the impact of COVID-19 continues to be a barrier to Voyent Alert! rollout. While Voyent Alert! contract "wins" continue to grow, the new subscriptions are predominantly skewed towards more rural and smaller satellite communities that have been experiencing lesser impacts from the pandemic. Larger communities in which Voyent Alert! has been establishing a growing presence remain largely inaccessible and primarily focussed on their own COVID-19 response. Previously announced provincial level and large urban RFPs were largely deferred out of 2020. Recently a handful of larger urban centers have started to re-engage and to reach out to ICEsoft to advise of upcoming RFPs as a direct inbound sales query.

In 2019, Pre-COVID-19, the average community size for Voyent Alert! deals was 9,500 residents with a growth trajectory of approximately 20% quarter over quarter. For 2020 (during COVID-19) the average community size per deal dropped to 3,100 residents per deal, down 65% from pre-COVID-19 timeframes. Q1 2021 suggest a bottoming has been reached with a slight recovery of average deal size in the quarter 3,300 residents.

In the medium term, ICEsoft is forecasting a sales resurgence as the impact of COVID-19 begins to recede and community decision makers are free to turn their attention back to more day-to-day needs. Despite their smaller size, the northern and satellite community use of Voyent Alert! will create an advantage through referrals and increased exposure within larger communities as they begin to re-engage post COVID-19. Increases in demo requests and higher prospect engagement are positive early indicators, but results have been intermittent to date. Long-term, management believes that the current situation will serve to heighten community awareness of their need for public engagement tools and services. ICEsoft continues to realize growth in its 90-180 day sales pipeline.

Management forecasts that a return to more historical market conditions will begin to be realized in Q3 2021. Subject to the rate at which municipalities are able to re-engage through the second and third wave of COVID-19, Management is setting as an objective that by year-end 2021 the Voyent Alert! service shall have 300+ communities under service with a total addressable population exceeding 1.7 million persons, an installed recurring subscription base of $600,000 per year.

2021 Key Milestones

Business Objective	Description	Target Date	Progress
Voyent Sales	Secure 300 communities under service with forecast licensed subscription sales exceeding CAD$600,000	Q4 2021	Presently at 228 communities with licensed subscription sales of approximately CAD$300,000
Voyent New Market Expansion	Secure additional Voyent Sales within markets outside of Canada and within at least two secondary market verticals.	Q4 2021	ICEsoft is now realizing corporate sales across multiple enterprise verticals. Most notably property management and utility services sectors. US sales have commenced.
Year End Revenue and Profitability	Achieve annual sales in excess of CAD$1,700,000 with Adjusted EBITDA greater than CAD ($350,000).	Q4 2021	Q1 Sales of $566,609 realized.

Summary of Financial and Operational Results

The following table summarizes select financial information for ICEsoft for the three months ended March 31, 2021 and March 31, 2020. All amounts expressed in $CAD.

Summary Table of Financial and Operational Results	Quarterly Three months ended March 31, 2021	March 31, 2020
Revenue	296,850	347,804
Operating Income (Loss)	(274,983)	(143,016)
Net Income (Loss)	(240,526)	(428,819)
Working Capital	(955,480)	(264,824)
Total Assets	301,234	1,247,360
Total Liabilities	1,810,066	2,226,879
Net Income (Loss)	(240,526)	(428,819)
Add Back:		
Amortization of right-of-use asset	5,269	7,665
Financing Costs	4,936	31,868
EBITDA	**(230,321)**	**(389,286)**
Add Back:		
Stock based compensation	-	4,659
Loss on debt extinguishment	-	155,465
Capital raise expenses	-	93,213
Adjusted EBITDA	**(230,321)**	**(135,949)**

Summary of Quarterly Results

The following table summarizes select financial information for ICEsoft for the following quarters. All amounts expressed in $CAD.

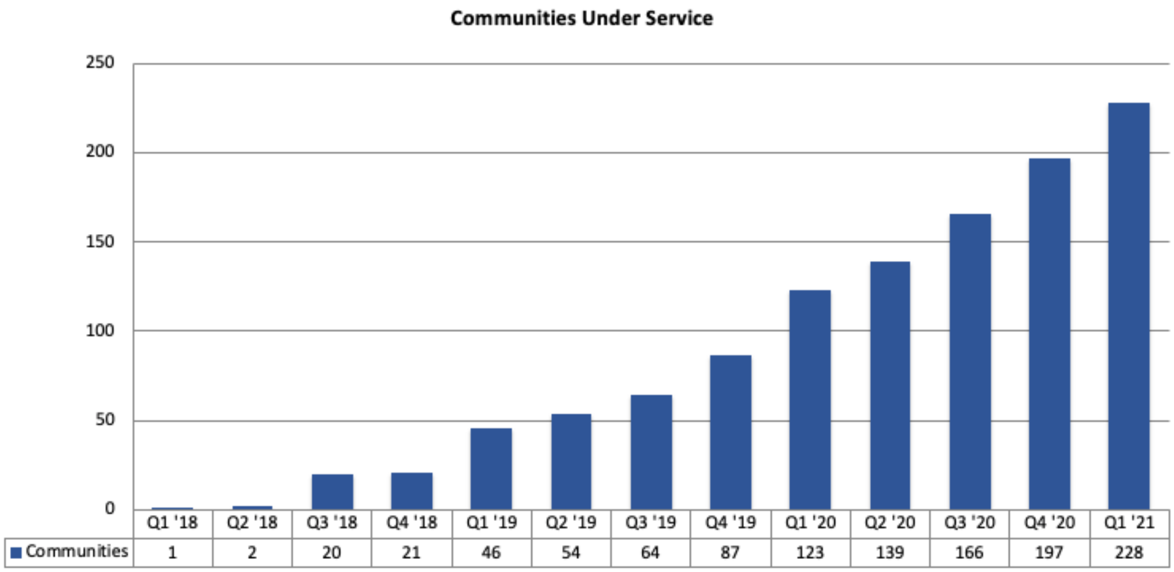
	Q1 31-Mar-21	**Q4 2020-12-31**	**Q3 2020-09-30**	**Q2 2020-06-30**	**Q1 2020-03-31**	**Q4 2019-12-31**	**Q3 2019-09-30**	**Q2 2019-06-30**
Total Assets	301,234	274,180	621,882	969,714	1,247,360	165,283	233,507	229,297
Net working Capital	(955,480)	(1,200,645)	(485,197)	(354,138)	(264,824)	(1,742,405)	(1,199,584)	(1,127,261)
Deferred Revenue	888,798	611,367	680,492	813,540	857,986	728,899	839,332	861,484
Total Liabilities	1,810,066	1,556,112	1,663,141	1,869,550	2,226,879	2,733,087	2,748,744	2,640,995
Total Revenue	296,850	296,435	335,313	335,313	347,804	333,540	366,401	363,851
Net Income from Operations	(274,983)	(289,191)	(189,213)	(170,771)	(143,016)	(186,584)	(127,860)	(146,278)
Income (Loss) per share (basic and diluted)	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)

*Includes deferred revenue

RESULTS OF OPERATIONS

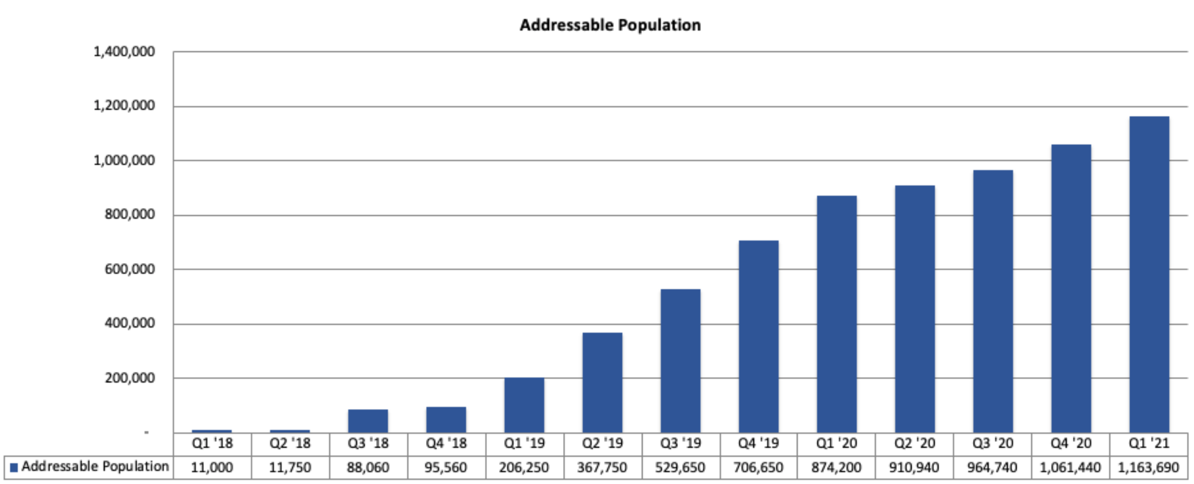
Communities Under Service

Q1 2021 vs Q1 2020 saw an approximate 85% increase in communities under service from 123 to 228 communities. This service increase has largely been achieved through referrals from existing customers. Management intends to deploy increasing capital to Sales and Marketing initiatives and believes this growth rate in communities under service will continue to accelerate as the COVID-19 crisis abates.



Addressable Population

Q1 2021 vs Q1 2020 saw an increase in addressable population of 289,490 citizens representing a year over year increase of 33%. This represents a decrease from prior 2020 over 2019 growth rate which were in excess of 150%, and reflects the impact of COVID-19 on general sales activities. As mentioned above, since the advent of COVID-19, the average population of onboarded communities has dropped by 65% from 9,400 persons / community in 2019 to 3,100 persons per onboarded community in 2020 and 3,300 persons / community in Q1 2021. Larger prospects and communities continued to prioritize their COVID-19 response.



Revenue and Sales

	Three Months Ended	
	March 31, 2021 $	March 31, 2020 $
Revenue	296,850	347,804

Q1 2021 vs Q1 2020 revenues declined by $50,954 (15%). Revenue declines in Legacy business lines were partially supplemented from increased Voyent Alert! revenues.

	Three Months Ended	
	March 31, 2021 $	March 31, 2020 $
Voyent Alert! Subscription Revenues	52,931	31,642
Voyent Alert! User Fees	795	-
Total Voyent Alert Revenues	53,726	31,642

During Q1 2021 Voyent Alert revenues increased from $31,642 in Q1 2020 to $53,726 in Q1 2021 (+70%) as ICEsoft continued to win Voyent Alert! sales. By quarter end Q1 2021, the Corporation closed deals covering 228 municipalities.

These contracts include future client obligations to pay additional user/usage fees as municipality and district clients begin to use the features of Voyent Alert! to meet their needs. Management expects annual recurring revenues from the Voyent Alert! System to remain very sticky with little to no customers offboarding the system in the coming years. A 100% renewal rate has been experienced throughout 2020 and continued into Q1 2021.

In reading the financial statements, the reader needs to be cognizant of the fact that in a subscription-based business, sales do not translate immediately into revenue over the reporting time period. The Company secures payment in advance of subscription-based sales; revenue is subsequently amortized and recognized over the term of the subscription. Unamortized amounts of the pre-paid subscription show up as a liability under Deferred Revenue on the balance sheet. As a consequence, quarterly revenue may drop or appear flat while product sales over the period increase. The long-term difference between sales and revenues is derived from multi-year contracts and management believes cash sales better represent the business activities than realized and deferred revenues.

As such Management believes it is important for investors to have visibility in cash sales and chooses to report this information. Readers should note that cash-based sales is not a IFRS measure.

	Three Months Ended	
	March 31, 2021 $	March 31, 2020 $
Legacy Sales	467,414	274,942
Voyent Alert! Sales	99,195	73,500
Sales Total	566,609	348,442

Legacy product sales in Q1 2021 were $467,414 vs. $274,942 in Q1 2020 representing an increase of $192,472 or 70%. This increase is Legacy sales is due to the timing of collections from current subscribers.

Voyent Alert! sales in Q1 2021 were $99,195 vs. $73,500 in Q1 2020 for an increase of $25,695 or 35%. Unlike the situation with legacy products, communication across the Voyent Alert! sales pipeline remains high as does prospects commitment to purchase.

While COVID-19 continues to negatively impact near term subscription sales and deal sizes, overall system usage continues to grow. Approximately, 790 alerts were sent out to 190,000 users in Q1 2021, up from 570 alerts to 120,000 users in Q1 2020. This translates into an approximate 55% growth rate in system usage.

Cumulative AFR as of March 31, 2021 was CAD$0.38/ Resident (inclusive of new deals + renewals). New Deal AFR as of March 31, 2021 was CAD$0.40 / Resident (inclusive of new deals). Cumulative AFR numbers are forecast to grow to CAD$0.45 / Resident by year end as client communities complete their roll outs and start to accrue usage fees.

Feedback from clients during the COVID-19 crisis has highlighted the need for local government to have a communication service in place to effectively disseminate critical information to their communities. Management believes this will ultimately increase demand for services like Voyent Alert! and expects Voyent Alert! sales to accelerate further once the COVID-19 crisis abates.

There was no material shift in revenue across geographic regions.

R&D, G&A, & Sales, Marketing and Operating Expenses

	Three Months Ended	
	March 31, 2021 $	**March 31, 2020 $**
R&D, G&A & Sales, Marketing and Operating Expenses	571,833	490,820

During Q1 2020 operating expenses increased $81,013 (17%) compared to Q1 2020. Sales and Marketing costs increased $54,064 (52%) as ICEsoft ramped up marketing efforts. G&A expenses remained flat at $ 82,543 in Q1 2021 vs $81,407 in Q1 2020 (+$1,136 or 1%) and R&D expenses increased to $330,717 in Q1 2021 vs. 304,904 in Q1 2020 (+25,813 or 8%). Management forecasts that Voyent Alert! sales traction will push the business into a profitable net operating income position in the coming quarters; however, additional marketing expenses will be required to drive Voyent Alert! deeply into the market.

	Three Months Ended	
	March 31, 2021 $	**March 31, 2021 $**
Cash Based Net Operating Loss	5,224	142,348

Management believes that given the nature of a software-as-a-service (SaaS)-based enterprise such as ICEsoft, cash sales are a more accurate reflection of top line business activity. As such, sales less cash-based operating costs result in a cash-based net operating income figure. This measure does not have a standardized definition prescribed by IFRS and, therefore, may not be comparable to similar captioned terms presented by other users. However, Management believes cash sales less cash expenses is an accurate reflection of the quarterly performance of the business.

The business saw cash based net operating income in Q1 2021 improve to a near break-even point of negative $5,224 vs. Q1 2020 of negative 142,348.

	Three Months Ended	
	March 31, 2021 $	March 31, 2020 $
Net Operating Loss	(274,983)	(143,016)

The business saw net operating income decrease $131,967 (92%) in Q1 2021 relative to the same period of the prior year. The change is due to 1) a reduction in revenues of $50,954 and 2) an increase in operating costs in particular marketing costs of $81,013.

	Three Months Ended	
	March 31, 2021 $	March 31, 2020 $
Net Income (Loss)	(240,526)	(428,819)

Included in net income / loss and comprehensive loss for the quarter ended March 31, 2021 includes the Canadian Emergency Wage Subsidies of $39,393 (vs. nil in Q1 2020), financing expense of $4,936 (vs. $31,868 in Q1 2020), loss on debt extinguishment of $nil vs. $155,465 in Q1 2020 and non-cash stock based compensation of $nil (vs. $4,659 Q1 2020), and foreign exchange costs of $nil in Q1 2021 of $363 (vs. $598 in Q1 2020).

Liquidity and Capital Resources

No new changes to ICEsoft's liquidity and capital resources or financing requirements have taken place. Please review the annual MD&A for more details.

Shares Outstanding

See note 8 to the financial statements for an overview of the shares outstanding and share capital of the Corporation. As of May 25, 2021, there were 80,116,026 common A shares outstanding.

Off-Balance Sheet Arrangements

There are no off-balance sheet arrangements at this time.

Transactions with Related Parties

See note 13 to the financial statements for a description of related party transactions.

Subsequent Events

See note 15 to the financial statements for a description of subsequent events.

Risk Factors

No new risks have been identified.