

BGP ACQUISITION CORP. MANAGEMENT'S DISCUSSION AND ANALYSIS

As at December 31, 2020

and for the period from May 22, 2020 (date of incorporation) through December 31, 2020 (Expressed in U.S.

Dollars)

MANAGEMENT'S DISCUSSION & ANALYSIS

The following discussion of performance, financial condition and future prospects should be read in conjunction with the financial statements (“**Financial Statements**”) of BGP Acquisition Corp. (the “**Corporation**”) for the period from inception on May 22, 2020 through December 31, 2020 and the accompanying notes thereto.

This Management’s Discussion and Analysis (“**MD&A**”) has been prepared with an effective date of March 30, 2021. The Financial Statements have been prepared by management in accordance with International Financial Reporting Standards (“**IFRS**”) and with interpretation of the International Financial Reporting Interpretations Committee (“**IFRIC**”). The Corporation’s financial information is expressed in United States dollars unless otherwise specified. In addition to reviewing this MD&A, readers are encouraged to read the Corporation’s public information filings available on the Corporation’s profile on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) at www.sedar.com.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This document may contain “**forward-looking statements**” (as defined under applicable securities laws). These forward-looking statements relate to future events or future performance including with respect to the Corporation’s objectives and priorities for fiscal year 2021 and beyond, and strategies or further actions with respect to the Corporation, a Qualifying Transaction (as defined below) and the Corporation’s business operations, financial performance and condition.

Such forward-looking statements reflect management’s current beliefs and are based on information currently available to management. In some cases, forward-looking statements can be identified by terminology such as “may”, “will”, “should”, “expect”, “plan”, “anticipate”, “believe”, “estimate”, “predict”, “potential”, “continue”, “target”, “intend”, “could” or the negative of these terms or other comparable terminology. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and many factors could cause actual events or results to differ materially from the results discussed in the forward-looking statements. In evaluating forward-looking statements, readers should specifically consider various factors that may cause actual results to differ materially from any forward-looking statement. These factors include, but are not limited to, market and general economic conditions and the risks and uncertainties discussed in the section entitled “Risk Factors” in the Corporation’s annual information form dated March 30, 2021 (the “**AIF**”).

The forward-looking statements contained in this MD&A is presented for the purpose of assisting investors in understanding business and strategic priorities and objectives of the Corporation as at the periods indicated and may not be appropriate for other purposes. Forward-looking statements contained in this MD&A are not guarantees of future performance and, while forward-looking statements are based on certain assumptions that the Corporation considers reasonable, actual events and results could differ materially from those expressed or implied by forward-looking statements made by the Corporation. Prospective investors are cautioned to consider these and other factors carefully when making decisions with respect to the Corporation and not place undue reliance on forward looking statements. Circumstances affecting the Corporation may change rapidly. Except as may be expressly required by applicable law, the Corporation does not undertake any obligation to update publicly or revise any such forward-looking statements, whether as a result of new information, future events or otherwise.

NATURE OF ACTIVITIES

The Corporation is a special purpose acquisition corporation incorporated on May 22, 2020 under the laws of the Province of British Columbia for the purpose of effecting, directly or indirectly, an acquisition of one or more businesses or assets, by way of a merger, amalgamation, arrangement, share exchange, asset acquisition, share purchase, reorganization, or any other similar business combination involving the Corporation (a “**Qualifying Transaction**”). The registered office of the Corporation is located at 1055 West Georgia Street, Suite 1500, Royal Centre, Vancouver, BC, V6E 4N7, Canada.

SIGNIFICANT EVENTS

On February 4, 2021 (the “**IPO Closing Date**”), the Corporation closed its initial public offering of 11,500,000 Class A Restricted Voting Units, including the exercise of the over-allotment option, at a price of \$10.00 per Class A Restricted Voting Unit for gross proceeds of \$115,000,000. Each Class A Restricted Voting Unit consisted of one Class A Restricted Voting Share and one-half of a share purchase warrant (each, a “**Warrant**”). The Class A Restricted Voting Units commenced trading on the Neo Exchange Inc. (the “**Exchange**”) on February 4, 2021 and traded until March 15, 2021. Effective March 16, 2021, the Class A Restricted Voting Units separated. Upon separation, the Class A Restricted Voting Shares and Warrants underlying the Class A Restricted Voting Units commenced trading separately on the Exchange. On or following completion of a qualifying transaction, each Class A Restricted Voting Share (unless previously

redeemed) will be automatically converted into one common share of the Corporation (a “**Subordinate Voting Share**”) and each Class B Share will be automatically converted on a 100-for-1 basis into new proportionate voting shares of the Corporation (“**Proportionate Voting Shares**”).

Prior to the IPO Closing Date, the Sponsor purchased 2,995,000 Class B Shares (the “**Founders’ Shares**”), for an aggregate price of \$25,000, or approximately \$0.0083 per Founder’s Share. Prior to the IPO Closing date, the Corporation also issued to the Underwriter and its designees 100,000 Class B Shares (also referred to herein as the “**Underwriter’s Shares**”) for an aggregate price of \$1,000, or approximately \$0.01 per Underwriter’s Share. The terms of the Underwriter’s Shares and Founders’ Shares are identical in all respects. In addition, concurrent with closing of the IPO, the Sponsor purchased 380,000 Class B Units of the Corporation (each consisting of one Class B Share and one-half of a Warrant) for a purchase price of \$10.00 per Class B Unit (for an aggregate purchase price of \$3,800,000), resulting in aggregate proceeds of approximately \$3,800,000 to the Corporation.

The IPO was undertaken by the Corporation pursuant to the terms of an underwriting agreement (the “**Underwriting Agreement**”) dated January 28, 2021 among the Corporation, our Sponsor and the Underwriter. Pursuant to the Underwriting Agreement, the Corporation paid \$2,300,000 to the Underwriter on the closing of the IPO, being part of the Underwriter’s fee. The balance of the Underwriter’s fee, being \$4,025,000, is deferred and will be paid to the Underwriter upon the closing of our qualifying transaction from the funds held in the escrow account. The deferred amount will be paid according to the Qualifying Transaction Marketing Agreement dated January 28, 2021 between the Corporation and the Underwriter (the “**QTMA**”). Pursuant to the QTMA we have engaged the Underwriter in connection with our qualifying transaction to assist us in holding meetings with our shareholders to discuss the potential qualifying transaction and the target business’ attributes, introduce us to potential investors that are interested in purchasing our securities in connection with our qualifying transaction, assist us in obtaining shareholder approval for the qualifying transaction, if applicable, and assist us with our press releases and public filings in connection with the qualifying transaction. We will pay the Underwriter a cash fee for such services upon the consummation of our qualifying transaction in an amount equal to \$4,025,000, being the deferred amount, provided that up to 30% of the deferred amount may be allocated at our sole discretion to other regulated entities that assist us in identifying and consummating a qualifying transaction.

Upon the closing of the IPO, the Corporation placed \$10.00 per Class A Restricted Voting Unit (an aggregate of \$115,000,000) in an escrow account with the Escrow Agent. The terms of the Escrow Agreement provide that, subject to applicable laws, none of the funds held in the escrow account will be released from the escrow account until the earliest of: (i) the closing of our qualifying transaction within the Permitted Timeline; (ii) a redemption (on the closing of a qualifying transaction or on an extension of the Permitted Timeline) of, or an automatic redemption of, Class A Restricted Voting Shares; and (iii) a Winding- Up. Proceeds held in the escrow account may also be used to satisfy the requirement of the Corporation to pay taxes on the interest or certain other amounts earned on the escrowed funds (including, if applicable, under Part VI.1 of the Tax Act arising in connection with the redemption of the Class A Restricted Voting Shares), and for payment of certain expenses.

The escrowed funds will also be used to pay the deferred underwriting commission in the amount of \$4,025,000, which (subject to availability, failing which any shortfall shall be made up from other sources) will be payable by the Corporation to the Underwriter upon the closing of our qualifying transaction. The deferred amount will be paid according to the QTMA. The per share amount will be distributed to holders of Class A Restricted Voting Shares who properly redeem their shares, which will not be reduced by the deferred underwriting commission to be paid to the Underwriter. The holders of Class B Shares (including holders of Class B Units), being our Founders and the Underwriter (and its designees) do not have access to, and cannot benefit from, any proceeds held in the escrow account, and as such, do not have any redemption rights with respect to their Class B Shares and/or Class B Units. The qualifying transaction must occur within a Permitted Timeline, being no later than November 4, 2022 subject to an extension. The Permitted Timeline could be extended to up to 36 months with shareholder approval of only the holders of Class A Restricted Voting Shares, by ordinary resolution, with approval of the Corporation’s board of directors. If we are unable to complete a qualifying transaction within the Permitted Timeline, we will redeem the Class A Restricted Voting Units using the cash held in the escrow account.

SELECTED ANNUAL INFORMATION

Below is selected information from the statement of income for the period from inception on May 22, 2020 (inception) through December 31, 2020. There is no comparative interim period available as the Corporation was incorporated on May 22, 2020.

Expenses	
Expenses	<u>1,001</u>
Net loss and comprehensive loss for the period	<u><u>(1,001)</u></u>
Weighted average shares outstanding of Class B Shares to Founders, basic and diluted	<u><u>1</u></u>
Earnings per share	
Basic	<u><u>(1,001)</u></u>
Diluted	<u><u>(1,001)</u></u>

RESULTS OF OPERATIONS

The Corporation has not conducted commercial operations and it is focused on the identification and evaluation of businesses or assets to acquire and there were no notable events that occurred during the reporting period presented.

From inception on May 22, 2020 through December 31, 2020, the Corporation realized a net loss of \$1,001. This represents a loss of approximately \$1,001 per share.

The funds raised from the IPO on February 4, 2021 relating to Class A Restricted Voting Units totaling \$115,000,000 are being held as cash in the Escrow Account.

The Underwriter is entitled to an underwriting commission equal up to \$6,325,000 or 5.5% of the gross proceeds of the Class A Restricted Voting Units issued under the Offering. The Corporation paid \$2,300,000 to the Underwriter at the closing of the Offering. The balance of the underwriting commission of \$4,025,000, or 3.5% of the gross proceeds (the “**Deferred Amount**”) of the Class A Restricted Voting Units, has been deferred and will be paid to the Underwriter upon the closing of our qualifying transaction from the funds held in the escrow account. The deferred amount will be paid according to the Qualifying Transaction Marketing Agreement dated January 28, 2021 between the Corporation and the Underwriter (the “**QTMA**”). Pursuant to the QTMA we have engaged the Underwriter in connection with our qualifying transaction to assist us in holding meetings with our shareholders to discuss the potential qualifying transaction and the target business’ attributes, introduce us to potential investors that are interested in purchasing our securities in connection with our qualifying transaction, assist us in obtaining shareholder approval for the qualifying transaction, if applicable, and assist us with our press releases and public filings in connection with the qualifying transaction. Up to 30% of the deferred amount may be allocated at our sole discretion to other regulated entities that assist us in identifying and consummating a qualifying transaction.

GENERAL AND ADMINISTRATIVE EXPENSES

The Corporation general and administrative expenses for the period from May 22, 2020 (date of incorporation) through December 31, 2020 were comprised of formation costs.

CAPITAL MANAGEMENT

The cash held in escrow consists of the \$115,000,000 in funds raised relating to Class A Restricted Voting Units. In accordance with the terms of the Offering, all amounts raised through the issuance of the Class A Restricted Voting Units were deposited into the Escrow Account and can only be released upon certain prescribed conditions being met, as further described herein and in the Corporation’s prospectus dated January 28, 2021 (the “**Prospectus**”).

The Corporation’s objective is to execute a Qualifying Transaction, the terms of which are determined by the Corporation to be favorable and provided that the target business or assets forming the Qualifying Transaction have a fair market value of at least 80% of the assets held in the Escrow Account at the time the agreement is entered into (excluding the deferred underwriting commission and applicable taxes payable on interest and other amounts earned in the Escrow Account). The fair market value of the target businesses or assets will be determined by the Corporation’s board of directors based upon

one or more valuation methods generally accepted by the financial community (including, without limitation, actual and potential sales, earnings, cash flow and book value).

On March 30, 2021, Don Jennings agreed to loan the Corporation an aggregate of up to \$250,000 to fund working capital requirements pursuant to a promissory note (the “Promissory Note”). The Promissory Note is non-interest bearing and is payable on the consummation of the Qualifying Transaction. If the Qualifying Transaction is not consummated, all outstanding loans will be forgiven, except to the extent of any funds held outside of the escrow account. As of March 30, 2021, the Corporation had no amounts outstanding under the Promissory Note.

Other than as described above, to the extent that the Corporation requires additional funding for general ongoing expenses or in connection with a Qualifying Transaction, the Corporation may seek funding by way of unsecured loans from the Sponsor and/or its affiliates, which loans would bear interest at no more than the U.S. dollar prime rate plus 1.0%. The lender under the loans would not have recourse against the funds held in the Escrow Account, and thus the loans will not reduce the value thereof. Such loans will collectively be subject to a maximum aggregate principal amount equal to 10% of the escrowed funds and may only be repayable in cash no earlier than the closing of the Qualifying Transaction. Such loans may only be convertible into shares and/or Warrants in connection with the closing of the Qualifying Transaction.

The Corporation may also seek to raise additional funds through a rights offering in respect of shares available to its shareholders, in accordance with the requirements of applicable securities legislation and the Exchange’s rules, and subject to the consent of the Underwriter, subject to the conditions outlined further in the Prospectus.

As of the date of filing the Corporation does not have any off-balance sheet financing arrangements and has not guaranteed any debt or commitments of other entities or entered into any options on non-financial assets. Although the Corporation has commenced the process of identifying potential acquisitions with a view to completing a Qualifying Transaction, the Corporation has not yet entered into a definitive agreement.

SHARE CAPITAL

As of the date of this MD&A, the Corporation had 11,500,000 Class A Restricted Voting Shares, 3,475,000 Class B Shares and 5,940,000 Warrants issued and outstanding.

RELATED PARTY TRANSACTIONS

The Corporation provides a payment of \$10,000 per month to the Sponsor for the utilization of office space, utilities and administrative support. The Corporation further reimburses the Sponsor for any out-of-pocket expenses incurred by directors, officers and consultants of the Corporation which are paid by the Sponsor relating to certain activities on the Corporation’s behalf, including identifying and negotiating a Qualifying Transaction.

SIGNIFICANT ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

For further information about the accounting policies used by the Corporation, please refer to the Financial Statements and notes thereto for the period ended December 31, 2020, which have been prepared in accordance with IFRS and with interpretation of the IFRIC.

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Critical accounting estimates represent estimates made by management that are, by their very nature, uncertain. Management evaluates its estimates on an ongoing basis. Such estimates are based on assumptions that management believes are reasonable under the circumstances, and these estimates form the basis for making judgments about the carrying value of assets and liabilities and the reported amounts of revenues and expenses that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. A summary of the significant accounting policies used by management in the preparation of its financial information is provided in Note 2 to the Financial Statements.

PROPOSED ACQUISITIONS

Although the Corporation has commenced the process of identifying potential acquisitions with a view to completing a Qualifying Transaction, the Corporation has not yet entered into a definitive agreement.

CONTROLS AND PROCEDURES

As at December 31, 2020, an evaluation was carried out, under the supervision of and with the participation of management, including the Chief Executive Officer and the Chief Financial Officer, of the effectiveness of our disclosure controls and procedures as defined under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"). Based on that evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that the design and operation of these disclosure controls and procedures were effective as at December 31, 2020.

Management, including the Chief Executive Officer and the Chief Financial Officer, has designed internal control over financial reporting as defined under NI 52-109 to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Management evaluated, under the supervision of and with the participation of the CEO and the CFO, the effectiveness of our internal control over financial reporting as at December 31, 2019, based on the principles set out in the Internal Control - Integrated Framework (COSO Framework) published by The Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Based on that evaluation, the CEO and CFO concluded that our internal control over financial reporting was designed and operating effectively as at December 31, 2020 and that there were no material weaknesses in the internal control over financial reporting. There were no changes made in our internal control over financial reporting that occurred during the period from inception on May 22, 2020 to December 31, 2020, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

MANAGING RISK

Except as otherwise disclosed in this MD&A and in Financial Statements, there have been no significant changes to the nature and scope of the risks faced by the Corporation as described in the AIF, which is available on the Corporation's profile on SEDAR at www.sedar.com. Such business risks should be considered by interested parties when evaluating the Corporation's performance and its outlook.

March 30, 2021