



GLACIER MEDIA INC. MANAGEMENT'S DISCUSSION & ANALYSIS ("MD&A")

2021 MANAGEMENT'S DISCUSSION & ANALYSIS ("MD&A")

FORWARD-LOOKING STATEMENTS

In this MD&A, Glacier Media Inc. and its subsidiaries are referred to collectively as "Glacier", "us", "our", "we" or the "Company" unless the context requires otherwise.

The report is dated March 25, 2022 and includes information up to this date.

Glacier Media Inc.'s Annual Report, including this MD&A contains forward-looking statements that relate to, among other things, our objectives, goals, strategies, intentions, plans, beliefs, expectations and estimates and can generally be identified by the use of statements that include phrases such as "believe", "expected", "anticipate", "intend", "plan", "likely", "will", "may", "could", "should", "would", "suspect", "outlook", "estimate", "forecast", "objective", "continue" (or the negative thereof) or similar words or phrases. These forward-looking statements include, among other things, statements relating to our expectations regarding revenues, expenses, cash flows, future profitability and the effect of our strategic initiatives, including our expectations to grow certain operations, to invest in key strategic areas, to generate sufficient cash flow from operations to meet anticipated working capital, capital expenditures, and debt service requirements, that future cash flow from operations and the availability under existing banking arrangements are believed to be adequate to support financial liabilities, our expectation that the Company can generate future profits operating at lower levels of revenue from its digital media, data and information operations; and that the Company expects to be successful in its objection with CRA. These forward-looking statements are based on certain assumptions, including continued economic growth and recovery and the realization of cost savings in a timely manner and in the expected amounts, which are subject to risks, uncertainties and other factors which may cause results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements, and undue reliance should not be placed on such statements.

Important factors that could cause actual results to differ materially from these expectations include the continued impact of the COVID-19 pandemic, failure to implement or achieve the intended results from our strategic initiatives, the failure to reduce debt and the other risk factors listed in our Annual Information Form under the heading "Risk Factors" and in our Annual MD&A under the heading "Business Environment and Risks", many of which are out of our control. These other risk factors include, but are not limited to, the ability of the Company to sell advertising and subscriptions related to its publications, foreign exchange rate fluctuations, the seasonal and cyclical nature of the agricultural and energy sectors, discontinuation of government programs, general market conditions in both Canada and the United States, changes in the prices of purchased supplies including newsprint, the effects of competition in the Company's markets, dependence on key personnel, integration of newly acquired businesses, technological changes, tax risk, financing risk, debt service risk and cybersecurity risk.

The forward-looking statements made in the Company's Annual Report, including this MD&A, relate only to events or information as of the date on which the statements are made. Except as required by law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

The Annual Report, this MD&A and the documents to which we refer herein should be read completely and with the understanding that our actual future results may be materially different from what we expect.

BASIS OF DISCUSSION AND ANALYSIS

The following Management Discussion and Analysis of the financial condition and results of operations of the Company and other information is dated as at March 25, 2022 and should be read in conjunction with the Company's consolidated financial statements and notes thereto as at and for the year ended December 31, 2021. The annual consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

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NON-IFRS MEASURES

Earnings before interest, taxes, depreciation and amortization ("EBITDA"), EBITDA margin and EBITDA per share, are not generally accepted measures of financial performance under IFRS. In addition, certain results in this MD&A have been presented on a basis that includes the Company's share of revenue and expenses from its joint venture and associate operations, which reflects the basis on which management makes its operating decisions and performance evaluation. These measures including joint ventures and associates are also not generally accepted measures of financial performance under IFRS. Management utilizes these financial performance measures to assess profitability and return on equity in its decision making. In addition, the Company, its lenders and its investors use EBITDA to measure performance and value for various purposes. Investors are cautioned; however, that EBITDA should not be construed as an alternative to net (loss) income attributable to common shareholders determined in accordance with IFRS as an indicator of the Company's performance.

The Company's method of calculating these financial performance measures may differ from other companies and, accordingly, they may not be comparable to measures used by other companies. A quantitative reconciliation of these non-IFRS measures is included in the section entitled EBITDA Reconciliation with Per Share Amounts.

All financial references are in millions of Canadian dollars unless otherwise noted.

OVERVIEW OF THE BUSINESS

Glacier operates as an information and marketing solutions company pursuing growth in sectors where the provision of information and related services provides high customer value. The Company's "go to market" strategy is being pursued through two operational areas:

1. Data, analytics and intelligence; and
2. Content and marketing solutions

The data, analytics and intelligence products provide essential information, analysis and context that customers need for decision making, marketing needs, business opportunity identification and other purposes.

The Company has focused on a select group of industries that offer large addressable markets, growth opportunities and the ability to leverage its brands.

The content and marketing solutions products and offerings are being evolved and developed to address the changing needs of media - including both audience demand for content and client demand for marketing solutions.

Through its brands and operations, Glacier serves its clients and information users in three segments: Environmental and Property Information, Commodity Information and Community Media.

ENVIRONMENTAL AND PROPERTY INFORMATION



ERIS (Environmental Risk Information Services) provides environmental risk data and related products for commercial real estate properties across North America. This information is used by environmental consultants, CRE brokers, financial institutions and insurance companies to identify and assess environmental risks around commercial real estate transactions. ERIS is the #1 provider of CRE environmental data in the Canadian market and is #2 in the United States.



STP ComplianceEHS produces digital audit guides and compliance tools for use in environmental health and safety audits. Multi-national companies license STP's content for use throughout the United States and across more than forty countries worldwide.



REW is the leading residential real estate listings and property information marketplace in British Columbia and is expanding in Ontario and other parts of

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Canada. REW is now #1 in traffic and audience in B.C., after surpassing realtor.ca. The REW marketplace provides consumers with key real estate information and insights (e.g. school catchment areas, assessed values, past sales prices) in order to make better informed decisions about their home. Agents, new home developers and third-party providers (e.g. mortgage brokers, home insurance companies) use a variety of REW advertising, lead generation and subscription products to market their offerings to home buyers and sellers.

COMMODITY INFORMATION



Glacier FarmMedia ("GFM") is Canada's leading provider of agricultural information. GFM serves the Canadian grower and agricultural industry with digital media, listings, publications, exhibitions and weather and commodities marketing subscriptions. Well-known brands operated by GFM include the Western Producer, Alberta Farmer Express, Manitoba Co-Operator, Country Guide, Farmtario, Canada's Outdoor Farm Show ("COFS"), Ag In Motion ("AIM"), AgDealer, Global Auction Guide, MarketsFarm, METOS Canada and Weather Innovations.



Following the sale of the JWN energy information assets in March 2021, the Glacier Resource Innovation Group ("RIG") now exclusively serves the mining industry, associated suppliers and the financial industry with a wide variety of intelligence offerings. With significant operations in Vancouver and Toronto, RIG produces databases, conferences, digital media and e-learning programs for the mining sector. Key brands include the Northern Miner, the Canadian Mining Journal, CostMine, edumine, Mining.com and the Global Mining Symposium.

COMMUNITY MEDIA



DIGITAL MEDIA

Glacier Media Digital ("GMD") operations include local news, general community information and classifieds websites; digital marketing services; and specialty products and services. GMD brands include: Castanet Media, Vancouver Is Awesome, a partial interest in Village Media, Eastward Media (targeting the Asian market) and many others.



The Company's strategy is to build a standalone digital local media business with leading market positions in British Columbia and other Western Canadian markets. Glacier Media now has sufficient traffic, revenue and profit with Vancouver Is Awesome and its local websites and digital marketing services in the Lower Mainland to operate on a standalone basis.



Castanet is a digital only media business that has operated since 2000 and is the leading source of news and information in the Okanagan region of B.C. (Kelowna, Kamloops, Penticton and Vernon), with more than 54 million monthly page views.



Village Media is a digital only news and information business that operates sixteen of its own local websites in Ontario and operates websites for other media companies. It generates 72 million monthly page views across its network, and also licenses its own proprietary community website platform software.



Combined, Glacier's digital operations and network (the Local News Network), including network partners, now reaches over 35 million monthly unique visitors with over 240 million monthly page views. Local News Network is now one of the largest digital news networks in Canada as measured by page views.

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The Company is expanding its offerings of digital products and marketing services to 1) attract more local audience and provide the content its readers desire and 2) fulfill its clients' marketing needs, which are becoming more comprehensive and complex. The Company is continuing to publish newspapers as they still provide value to readers and advertisers, content and sales resources that can be shared with its digital products, and cash flow. The sharing of these resources and the cash flow generated are assisting with the transformation to local digital media operations.

COMMUNITY MEDIA NEWSPAPER GROUP



The Community Media newspaper group operations reach over 2 million readers in print in over 60 local markets in B.C., Alberta, Saskatchewan, and Manitoba. The group also owns partial interests in the U.S. Its brands include the Victoria Times-Colonist, North Shore News, Tri-Cities News, Burnaby Now, Richmond News, Prince George Citizen, St. Albert Gazette, Estevan Mercury, Yorkton This Week and many others.

Additional information on Glacier's operations is included in the Company's Annual Information Form as filed on SEDAR (www.sedar.com).

2021 OPERATING PERFORMANCE

The following results are presented to include the Company's proportionate share of its joint venture and associate operations; this is the basis on which management bases its operating decisions and performance⁽¹⁾. These reported results have been reconciled to the IFRS results below.

(thousands of dollars)	Revenue		EBITDA	
	2021	2020	2021	2020
	\$	\$	\$	\$
Environmental and Property Information	41,554	26,571	4,688	1,371
Commodity Information	42,199	45,304	5,769	10,476
Community Media	112,205	111,604	18,923	23,481
Centralized and Corporate Costs	-	-	(5,893)	(5,568)
Total Including Joint Ventures and Associates ⁽¹⁾	195,958	183,479	23,487	29,760
Joint Ventures and Associates	(31,396)	(32,175)	(5,740)	(6,819)
Total IFRS	164,562	151,304	17,747	22,941
(thousands of dollars, except share and per share amounts)			2021	2020
EBITDA including joint ventures and associates ⁽¹⁾			\$ 23,487	\$ 29,760
EBITDA including joint ventures and associates per share ⁽¹⁾			\$ 0.18	\$ 0.24
EBITDA			\$ 17,747	\$ 22,941
EBITDA per share			\$ 0.14	\$ 0.18
Capital expenditures			\$ 9,566	\$ 4,530
Weighted average shares outstanding, net			130,895,835	125,213,346

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(1) Certain results are presented to include the Company's proportionate share of its joint venture and associate operations, as this is the basis on which management bases its operating decisions and performance. The Company's joint ventures and associates include Great West Media Limited Partnership, the Victoria Times-Colonist, Rhode Island Suburban Newspapers, Inc., and Village Media Inc. Borden Bridge Development Corporation was included up to August 31, 2021 at which point the Company acquired the remaining 50% and began consolidating the results.

The results include the Canadian Emergency Wage Subsidy ("CEWS"), which under IFRS was \$5.2 million for the year ended December 31, 2021 as compared to \$18.7 million in 2020.

(thousands of dollars)	IFRS		Including Joint Ventures and Associates	
	2021	2020	2021	2020
	\$	\$	\$	\$
Revenue	164,562	151,304	195,958	183,479
EBITDA without CEWS	12,528	4,250	17,187	9,869
CEWS	5,219	18,691	6,300	19,891
EBITDA	17,747	22,941	23,487	29,760

Consolidated revenue for the year ended December 31, 2021 was \$164.6 million, up \$13.3 million or 8.8% from the prior year primarily as a result of 1) growth in a number of the Company's businesses due to stronger industry segment conditions and operating performance and 2) the significant impact of the COVID pandemic in the prior year and the resulting restrictions and cut-back in consumer and business activity.

Consolidated EBITDA was \$12.5 million, excluding CEWS but including varying levels of other grants and subsidies, for the year ended December 31, 2021 up \$8.3 million from \$4.3 million for the prior year. The results for the current year include special Aid to Publishers ("ATP") at lower funding levels, as compared to the prior year resulting in a decline in ATP funds recorded between the years.

The Company recognized wage subsidies from the CEWS program of \$5.2 million for the year ended December 31, 2021 compared to \$18.7 million for the prior year, a decrease of \$13.5 million.

Consolidated EBITDA including CEWS was \$17.7 million for the year ended December 31, 2021, down \$5.2 million from the prior year, including CEWS and other grants and subsidies recorded.

The Company no longer qualified for the CEWS program funding after October 2021.

The Company has experienced an improvement in market conditions in a variety of its businesses, but is still being affected by the pandemic in a number of areas. The Company is monitoring conditions on an ongoing basis and will respond accordingly if required. Revenues have been recovering gradually, and the Company is working to maintain sufficient levels of operating income within these levels and making concerted efforts to further bring revenues back and increase profits and cash flow.

Continued investments are being made in key strategic development initiatives, including the REW digital real estate marketplace, new weather and agricultural markets subscription-based products, and digital community media products.

Outlook and Operating Highlights

The Company has been working to strengthen its financial position and operating profitability during the pandemic. Revenues were significantly affected early on, although they have continued to improve during the latter part of 2020 and throughout 2021. It remains unclear how the pandemic will continue to unfold and affect conditions for the market in general and the Company's businesses in particular.

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The combination of improved revenues, cost management and stronger business conditions in a number of the markets in which the Company operates has resulted in significantly improved levels of operating profitability excluding wage subsidies. A number of the Company's areas of business remain affected by the pandemic, including the low level of activity in events and tourism in particular.

The Company has no debt net of cash and is now in a significantly stronger financial position with which to 1) operate at the lower levels of revenue and profitability currently being experienced in certain markets, 2) have the financial capacity to handle restructuring costs required and other cash obligations, and 3) withstand further economic uncertainty, additional waves of the pandemic and any related impact on revenues and cash flow.

While the pandemic and related measures are still affecting the Company's businesses to varying degrees, the Company's digital media, data, and information businesses have performed relatively well. The underlying fundamentals and resilience of these products have demonstrated their value in the face of the challenging market conditions.

- Environmental and Property Information revenues were up 56% as compared to the prior year.
 - STP and ERIS revenue grew significantly for the year, which includes revenue relating to the GeoSearch acquisition. ERIS acquired the assets of GeoSearch in November 2020. ERIS also continues to grow organically, both in the U.S. and Canada.
 - REW (the Company's residential real estate portal) generated significant revenue growth as a result of the strong residential real estate market conditions and operating improvements.
 - Local Digital Media revenues were up 20% compared to the prior year.
 - Efforts to adjust sales focus and product offerings and pivot to areas of demand have been effective in growing digital revenues and generating marketing results for advertisers during the pandemic.
 - Digital audience growth was strong as the Company's monthly page views grew 24% as compared to the prior year.
- Glacier FarmMedia revenues were flat as compared to the prior year. With COVID restrictions still in place, neither of the COFS or AIM farm shows were able to return to the full in-person events. Smaller, localized events were held both virtually and in some cases in-person instead. In general, demand for food and agricultural output has remained strong during the pandemic.
- The Resource Innovation Group revenues were off 28% as compared to the prior year as the result of the sale of the energy business in March 2021. The remaining mining group revenue, on a standalone basis, was up 13% for the year.
- Print community media advertising revenues decreased 3% compared to the prior year. 2020 was significantly impacted by the negative effects of the pandemic. Print display revenues have been recovering gradually during the pandemic but flyer revenue has declined. Operating costs have been reduced significantly in response to the revenue declines. The federal government ATP program was expanded to include non-paid publications (the majority of the Company's publications are controlled non-paid distribution).
- Overall, the Company's operating profitability is improving. Excluding CEWS, consolidated IFRS EBITDA increased \$8.3 million to \$12.5 million for the year.

It is encouraging that the efforts and investment made in the core areas of focus for the Company prior to the pandemic have allowed demand for these products and services to be resilient during the pandemic. The respective brands, market positions and value to customers have remained strong.

While print advertising revenues recovered from initial declines caused by the restrictions of the pandemic, they are expected to decline over time. Government assistance received from the expanded ATP program will help with the continued transition of the local media operations.

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The Company and its partners are seeing that it is possible to operate local digital media businesses on a standalone basis without newspapers, and can be operated with newspaper staff as well as new staff.

Due to the uncertainty surrounding the continued magnitude and impact of the COVID pandemic on the economy, it remains unclear what the impact will be on the Company's operations and financial position in the short-term.

The Company is working to reach the point where increases in the revenue, profit and cash flow from its data, analytics and intelligence products and digital media products exceeds the decline of its print advertising related profit and cash flow. The Company has made progress in this regard and can operate at lower levels of revenue from its digital media, data and information operations in the future and operate profitably.

Financial Position. As at December 31, 2021, the Company was in a net cash positive position, with a cash balance of \$21.7 million and mortgages and other loans of \$8.1 million. This includes new non-recourse mortgages on farm show land in Saskatchewan and Ontario.

The Company has net \$7.5 million of deferred purchase price obligations to be paid over the next three years. This amount is net of contributions from minority partners. The Company has a \$5.0 million vendor-take back receivable to be paid over the next two years resulting from the sale of the Company's interest in Fundata and an estimated \$1.2 million potential earn-out proceeds receivable over the next three years from the sale of the energy business.

2021 OPERATING RESULTS

REVENUE

Glacier's consolidated revenue for the year ended December 31, 2021 was \$164.6 million compared to \$151.3 million for the prior year, up 8.8%.

ENVIRONMENTAL AND PROPERTY INFORMATION

The Environmental and Property Information group generated revenue of \$41.6 million for the year ended December 31, 2021, as compared to \$26.6 million in the prior year, or an increase of 56.4%.

REW (the Company's residential real estate portal) generated significant revenue growth as a result of the strong residential real estate market conditions and operating improvements. ERIS and STP's revenues grew significantly compared to the prior year. This includes both organic growth and increased revenue relating to the GeoSearch acquisition.

COMMODITY INFORMATION

The Commodity Information group generated revenue of \$42.2 million for the year ended December 31, 2021, as compared to \$45.3 million for the prior year, or a decrease of 6.9%. The Company sold its energy business in March 2021. During the year, GFM had flat revenues as the result of continued COVID restrictions on in-person events and limited virtual events. RIG had revenue decreases of 28.4%, resulting from the sale of the energy business in March 2021. The remaining mining group on its own had revenue increases of 12.8% for the year as compared to the prior year.

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COMMUNITY MEDIA

(thousands of dollars)	Revenue		EBITDA	
	2021	2020	2021	2020
	\$	\$	\$	\$
Community Media Including Joint Ventures and Associates	112,205	111,604	18,923	23,481
Joint Ventures and Associates	(31,396)	(32,175)	(5,740)	(6,819)
Community Media IFRS	80,809	79,429	13,183	16,662

The Community Media Group generated \$80.8 million of revenue, up 1.7% for the year ended December 31, 2021, as compared to \$79.4 million in the prior year.

Including the Company's share of joint ventures and associates, the Community Media Group's revenue was \$112.2 million, as compared to \$111.6 million for the prior year, or an increase of 0.5%.

Print revenues were down 3%. Print display advertising recovered from the negative effects of the pandemic but flyer revenue has declined.

DIGITAL MEDIA

Local Digital Media revenues were up 19.4% during as compared to the prior year despite the pandemic.

Efforts to adjust sales focus and product offerings and pivot to areas of demand are proving effective in maintaining revenues despite the challenges of the pandemic.

Digital audience growth was strong, continuing a consistent pre-COVID trend and accelerating during the year due to the focus on local news and COVID related issues.

GROSS PROFIT

Glacier's consolidated gross profit, being revenues less direct expenses, for the year ended December 31, 2021 was \$55.1 million as compared to \$57.8 million in the prior year. Gross profit improved excluding wage subsidies as a result of the improvement in revenues, but decreased including wage subsidies and other government grants because of the significant reduction in CEWS and other government funding recorded in the year compared to last year (which were recorded as an offset to wage expense and other direct printing expenses) and the reversal of wage roll-backs.

Gross profit as a percentage of revenues ("gross profit margin") for the year ended December 31, 2021 was 33.5% as compared to 38.2% in the prior year.

GENERAL & ADMINISTRATIVE EXPENSES

Glacier's consolidated general and administrative expenses were \$37.3 million for the year ended December 31, 2021, up from \$34.9 million in the prior year. The increase in administrative costs primarily related to lower CEWS funds recorded, which were recorded as a reduction of wage expenses, the reversal of wage roll-backs, and increased legal fees.

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EBITDA

EBITDA was \$17.7 million for the year ended December 31, 2021 as compared to \$22.9 million in the prior year. The results are due to the various reasons stated under "Revenue, Gross Profit and General & Administrative Expenses". Part of the decrease is the amounts recorded in 2021 and 2020 from CEWS and ATP. CEWS recorded during the year ended December 31, 2021 was \$5.2 million as compared to \$18.7 million in the prior year.

NET INTEREST EXPENSE, DEBT

Glacier's consolidated net interest expense for the year ended December 31, 2021 was \$0.6 million as compared to \$1.6 million in the prior year. The lower interest expense recorded during the year was mainly due to the reduction of debt.

INTEREST EXPENSE, LEASE LIABILITIES

Interest expense relating to lease liabilities for the year ended December 31, 2021 was \$0.5 million as compared to \$0.6 million in the prior year. Changes in leases including new leases, renewals and terminations affect the interest paid on lease liabilities.

DEPRECIATION AND AMORTIZATION

Depreciation and amortization increased \$0.5 million as compared to the prior year. Depreciation of property, plant and equipment, and right-of-use assets decreased. Amortization of intangible assets increased as the result of additions and acquisitions throughout 2020 and 2021.

NET GAIN ON SALE

The Company recorded a \$2.2 million gain on sale relating to the sale of the energy operations in March 2021. The reported gain takes into account the contingent consideration of \$1.2 million related to the receivable on the sale of the energy operations.

IMPAIRMENT EXPENSE

In the prior year, ending December 31, 2020, the Company recorded an impairment expense of \$23.5 million resulting from certain CGU's being impacted by the negative affects of the COVID-19 pandemic, along with the continued decline of the print industry. No impairment expense was recorded in 2021.

OTHER INCOME

During the year ended December 31, 2021 the Company recorded other income of \$1.8 million, as compared to \$3.0 million in the prior year. The other income in both years primarily relates to distributions by a company in which Glacier is a minority shareholder.

RESTRUCTURING AND OTHER EXPENSES (NET)

Restructuring and other expenses (net) for the year ended December 31, 2021 were \$5.4 million compared to \$5.8 million for in the prior year. The other expenses include \$3.7 million of revaluations of deferred purchase price payables. Restructuring and other expenses (net) also include restructuring costs (from the closure or divestiture of operations, or part of operations; including severance, redundant office costs and other direct closure costs during transition periods), transaction costs (including equity transactions with non-controlling interests), foreign exchange, amounts received in excess of accrued deferred sales prices receivable and other income and other expenses.

SHARE OF (LOSS) EARNINGS FROM JOINT VENTURES AND ASSOCIATES

Share of (loss) earnings from joint ventures and associates, which include the Company's share of Great West Media Limited Partnership ("GWMLP"), the Victoria Times-Colonist ("VTC"), Rhode Island Suburban Newspapers, Inc. ("RISN"), and Village Media Inc. ("Village"), changed by \$8.8 million (to losses from earnings) as compared to the

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prior year. The decrease is the result of impairment of goodwill and non-amortizing intangible assets, along with a valuation allowance on certain tax assets taken within an associate's results, which increased Glacier's share of losses from joint ventures and associates by \$11.5 million. The equity pickup in Glacier also includes the CEWS received by the joint ventures and associates.

Borden Bridge Development Corporation was included up to August 31, 2021 when the Company acquired the remaining 50%, at which point they were consolidated.

Aggregate operating results for the Company's joint ventures and associates, at the Company's proportionate share of the results, are as follows:

(thousands of dollars)	As at December 31,	
	2021	2020
	\$	\$
Assets	49,601	61,914
Liabilities	13,341	18,827
Net assets	36,260	43,087
(thousands of dollars)	Year ended December 31,	
	2021	2020
	\$	\$
Revenues	31,396	32,175
EBITDA	5,740	6,819
Net (loss) income for the year	(5,467)	3,309

NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

Net income attributable to non-controlling interest increased by \$5.5 million mainly as the result of the sale of 45% of ERI Environmental Risk LP ("ERI") in July 2020, and ERI's growth in 2021 and the impact CEWS had on net income of subsidiaries with non-controlling interests.

NET LOSS ATTRIBUTABLE TO COMMON SHAREHOLDERS

For the year ended December 31, 2021 net loss attributable to common shareholders decreased by \$10.1 million as compared the prior year. The change resulted from i) no impairment expense recorded in the current year, as compared to \$23.5 million recorded in the prior year, ii) lower interest expense on debt of \$1.0 million, iii) lower interest expense on lease liabilities of \$0.1 million, iv) a net gain on sale of \$2.2 million in the current year and v) lower restructuring and other expenses (net) of \$0.4 million. This was partially offset by i) lower operating results of \$5.2 million from the reductions in CEWS, ii) higher share of losses from joint ventures and associates of \$8.8 million, as the result of impairment of goodwill and non-amortizing intangible assets, along with a valuation allowance on certain tax assets taken within a investment in joint venture and associates, iii) higher depreciation and amortization expense of \$0.5 million, iv) lower other income of \$1.2 million, v) higher income attributable to non-controlling interests of \$5.5 million, and iv) higher income tax recovery of \$4.1 million.

OTHER COMPREHENSIVE INCOME (NET OF TAX)

For the year ended December 31, 2021, Glacier recognized other comprehensive income (net of tax) of \$9.1 million. The income related to the mix of actuarial gains on defined benefit pension plans resulting from the change in actuarial assumptions, mainly the discount rate, and the change in the currency translation adjustment.

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CASH FLOW FROM OPERATIONS

Glacier's consolidated cash flow from operations was \$16.5 million (before changes in non-cash operating accounts) for the year ended December 31, 2021 as compared to \$21.4 million in the prior year. The change in cash flow from operations was primarily the result of the factors stated under "Revenue, Gross Profit, General & Administrative Expenses and EBITDA".

Capital expenditures were \$9.6 million in the year as compared to \$4.5 million in the prior year. The majority of the current year expenditures relates the purchase of land for the agricultural exhibition shows, the development and implementation of software and websites, content development, data and technology, leasehold improvements and the purchase of weather stations. Prior year capital expenditures primarily related to development and implementation of software and websites.

See "Summary of Financial Position, Financial Requirements and Liquidity" for further details.

RELATED PARTY TRANSACTIONS

During the year ended December 31, 2021, the Company recorded administration, consulting, interest and other expenses of \$2.0 million (2020: \$1.1 million) from Madison Venture Corporation ("Madison") and its subsidiaries. Madison is a shareholder of the Company and certain of its officers and directors are officers and directors of the Company.

Madison provides strategic, financial, transactional advisory services and administrative services to the Company on an ongoing basis. These services have been provided with the intention of maintaining an efficient and cost effective corporate overhead structure, instead of i) hiring more full-time corporate and administrative staff and thereby increasing fixed overhead costs and ii) retaining outside professional advisory firms on a more extensive basis.

During the period between April 15, 2021 and December 31, 2021, the Company paid Madison Pacific Properties Inc., a related entity to a shareholder of the Company, \$0.7 million for rent on leased properties. April 15, 2021 was the date at which Madison Pacific Properties Inc. became related parties to the Company.

During the period between April 15, 2021 and December 31, 2021, the Company paid an entity related to a shareholder of the Company, \$0.3 million for rent on leased properties. April 15, 2021 was the date at which this entity became a related party to the Company.

During the period between April 15, 2021 and December 31, 2021, the Company paid Grant Street Properties Inc., a related entity to a shareholder of the Company, \$0.6 million for rent on leased properties. April 15, 2021 was the date at which Grant Street Properties Inc. became related parties to the Company.

During the year ended December 31, 2021, the Company paid \$0.4 million to its associate Village Media Inc. for operational services.

During the year ended December 31, 2021, the Company paid its joint venture Great West Media LP for printing services as part of its normal operations. These services were provided at an agreed upon value. Total printing charged to the Company for the year was \$0.3 million.

At December 31, 2021, the Company had amounts due from an associate of \$3.2 million relating to non-operating advances. These amounts are non-interest bearing and have no fixed terms of repayment. These amounts are included in trade and other receivables.

The Company provides digital advertising related services to the associate at rates consistent with those charged to third parties for similar services.

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CONTINGENCY

During 2014-2018 an affiliate of the Company ("the affiliate") has received, from the Canada Revenue Agency ("CRA") and provincial tax authorities, tax notices of reassessments and assessments relating to the taxation years 2008-2017. The notices deny the application of non-capital losses, capital losses, scientific research and experimental development ("SR&ED") pool deductions and SR&ED tax credits claimed. As a result additional taxes payable including interest and penalties are assessed at approximately \$60.9 million. The affiliate has filed notices of objection with the CRA and provincial taxing authorities and has substantially paid the required deposits, which has been recorded in Other assets.

The Company, the affiliate and its counsel believe that the filing positions adopted by the affiliate in all years are appropriate and in accordance with the law. Accordingly, the Company has not recorded a liability in these consolidated financial statements for the reassessed taxes payable and related interest described above. If the entity is ultimately successful in defending its positions, deposits made plus applicable interest will be refunded. There is no assurance that the Company's objections will be successful. The affiliate is vigorously defending such positions. The Company and its affiliate expect to ultimately be successful in its objection. The ultimate outcome is uncertain.

SELECTED FINANCIAL INFORMATION

The following outlines selected financial statistics and performance measures for Glacier, on an IFRS basis (other than the non-IFRS measures noted) for the years ended December 31, 2021, 2020 and 2019:

(thousands of dollars) except share and per share amounts	2021	2020	2019
Revenue	\$ 164,562	\$ 151,304	\$ 184,790
Gross profit ⁽²⁾	\$ 55,065	\$ 57,841	\$ 48,236
Gross margin	33.5%	38.2%	26.1%
EBITDA ⁽¹⁾	\$ 17,747	\$ 22,941	\$ 7,967
EBITDA margin ⁽¹⁾	10.8%	15.2%	4.3%
EBITDA per share ⁽¹⁾	\$ 0.14	\$ 0.18	\$ 0.07
Net interest expense, debt	\$ 638	\$ 1,595	\$ 2,519
Net (loss) income attributable to common shareholders	\$ (4,880)	\$ (14,966)	\$ 34,249
Net (loss) income attributable to common shareholders per share	\$ (0.04)	\$ (0.12)	\$ 0.29
Cash flow from operations	\$ 16,489	\$ 21,365	\$ 3,870
Cash flow from operations per share	\$ 0.13	\$ 0.17	\$ 0.03
Capital expenditures	\$ 9,566	\$ 4,530	\$ 9,765
Total assets	\$ 271,120	\$ 263,086	\$ 271,144
Total non-current financial liabilities	\$ 26,795	\$ 19,037	\$ 29,472
Equity attributable to common shareholders	\$ 178,547	\$ 170,761	\$ 176,953
Weighted average shares outstanding, net	130,895,835	125,213,346	116,783,420

Notes:

(1) Refer to "Non-IFRS Measures" and "EBITDA Reconciliation" section for calculation of non-IFRS measures

(2) Gross profit for these purposes excludes depreciation and amortization.

The main factors affecting the comparability between years include:

- Operating performance of the Company's various business units and general market conditions during the reported years;
- The varying impact of and recovery from COVID-19 on the Company's operations' revenues and expenses;

GLACIER MEDIA INC.

MANAGEMENT'S DISCUSSION & ANALYSIS ("MD&A")

- The \$5.2 million of CEWS as an offset to wage expense for the year ended December 31, 2021 as compared to \$18.7 million in 2020. Other subsidies were also received, at varying levels throughout 2021 as compared to 2020. Additionally, certain joint venture and associate entities also received CEWS during 2021 and 2020;
- In December 2021, one of the Company's investment in joint ventures and associates took an impairment of goodwill and non-amortizing intangible assets, along with a valuation allowance on certain tax assets, resulting in the Company recording \$11.5 million share of losses from joint ventures and associates;
- In March 2021, the Company sold its energy business for net cash proceeds of \$4.3 million plus a potential earn-out of up to \$3.5 million. The earn-out is revenue based and payable over three years. The Company recorded an estimated \$1.2 million as a receivable relating to the discounted deferred consideration. A gain of \$2.2 million was recorded on the sale;
- In March, 2021, the Company and GVIC Communications Corp. ("GVIC") completed a Plan of Arrangement pursuant to which Glacier acquired all of the Class B voting common shares and Class C non-voting shares of GVIC not already held by Glacier and its subsidiary, and by a wholly-owned limited partnership of GVIC. Shareholders of GVIC received, for each GVIC Share held, 0.8 of a common share of Glacier. The transaction resulted in the issuance of 7,542,213 new Glacier common shares;
- An impairment charge \$23.5 million for the comparative year ended December 31, 2020 and \$5.7 million for the year ended December 31, 2019. There was no impairment charge in the current year ended December 31, 2021;
- In November 2020, the Company, through its subsidiaries ERIS Information Inc. and ERIS Information LP (together "ERIS"), acquired the assets of GeoSearch LLC, a U.S. based company, resulting in increased revenues and expenses in subsequent periods; and
- In July 2020, the sale of a 45% non-controlling interest in ERI Environmental Risk LP.

FOURTH QUARTER 2021 RESULTS AND OVERVIEW OF OPERATING PERFORMANCE

REVENUE

Glacier's consolidated revenue for the three months ended December 31, 2021 was \$43.8 million compared to \$41.7 million for the same period in the prior year.

Revenues in the fourth quarter continue to grow, showing an improvement over the prior year which was still somewhat affected by COVID, although the fourth quarter in the prior year already was showing signs of rebounding.

The Environmental and Property Information operations experienced another strong quarter. ERIS's revenue increase was achieved through organic growth and through the acquisition of GeoSearch. REW's revenues are steadily increasing through growth in traffic and through product offerings. STP had revenue growth as RegHub, STP's regulatory compliance service, continues to gain traction.

The Commodity Information operation experienced a decrease in revenues. The decrease was primarily the result of the sale of the energy operations in March 2021. The Company continued to invest in its agricultural information operations in key growth areas such as outdoor exhibitions, digital products and online listings.

The Company's Community Media's operations continue to face ongoing print advertising challenges and economic challenges. While print advertising revenues have recovered from the pandemic lows, flyer revenue has declined. Local Digital Media revenues grew in the quarter. Efforts to adjust sales focus and product offerings and pivot to areas of demand are proving effective in maintaining revenues despite the challenges of the pandemic. Digital audience growth was strong, continuing a consistent pre-COVID trend and accelerating during the year due to the focus on local news and COVID related issues.

GLACIER MEDIA INC. MANAGEMENT'S DISCUSSION & ANALYSIS ("MD&A")

GROSS PROFIT

Glacier's consolidated gross profit for the three months ended December 31, 2021 was \$14.4 million compared to \$15.7 million for the same period in the prior year. Despite increases in revenue, gross profit was affected by the \$1.7 million decreases in CEWS funds (which were recorded as an offset to wage expense) as compared to the same quarter in the prior year.

GENERAL & ADMINISTRATIVE EXPENSES

Glacier's consolidated general and administrative expenses were \$8.6 million for the three months ended December 31, 2021 compared to \$9.5 million for the same period in the prior year. Reduced legal expenses in the quarter drove the decrease in general and administrative expenses. The prior year included CEWS at higher levels and wage-roll backs. The Company continues to invest in its infrastructure to support its growth opportunities and digital products.

EBITDA

Consolidated EBITDA was \$5.8 million for the three months ended December 31, 2021 as compared to \$6.2 million for the same period in the prior year. The decrease in EBITDA was due to the reasons stated under Revenue, Gross Profit and General & Administrative Expenses. A large driver of the decreases in the fourth quarter of 2021 was from lower levels of CEWS as compared to the fourth quarter of 2020.

NET LOSS ATTRIBUTABLE TO COMMON SHAREHOLDERS

Net loss attributable to common shareholders for the three months ended December 31, 2021 increased by \$8.7 million as compared to income in the same period in the prior year. The change resulted from i) lower operating results of \$0.4 million, ii) higher depreciation and amortization expense of \$0.3 million, iii) lower other income of \$1.2 million, iv) higher restructuring and other expenses net of \$3.7 million, v) higher share of losses from joint ventures and associates of \$10.9 million, as the result of impairment of goodwill and non-amortizing intangible assets, along with a valuation allowance on certain tax assets taken within an investment in joint venture and associates, and vi) higher income attributable to non-controlling interests of \$0.9 million. This was partially offset by i) no impairment expense in the fourth quarter of 2021 as compared to \$3.5 million in the fourth quarter of 2020, ii) lower interest expense on debt of \$0.1 million, and iii) higher income tax recovery of \$5.0 million.

CASH FLOW FROM OPERATIONS

Glacier's consolidated cash flow from operations was \$4.1 million (before changes in non-cash working capital) for the three months ended December 31, 2021 compared to \$8.5 million for the same period in the prior year. The change in cash flow from operations was primarily the result of the factors described under Revenue, Gross Profit and General & Administrative Expenses.

See Summary of Financial Position, Financial Requirements and Liquidity for further details.

GLACIER MEDIA INC.

MANAGEMENT'S DISCUSSION & ANALYSIS ("MD&A")

SUMMARY OF QUARTERLY RESULTS

The following outlines the significant financial performance measures for Glacier for the last eight quarters:

(thousands of dollars) except share and per share amounts	Trailing 12 Months	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Revenue	\$ 164,562	\$ 43,841	\$ 40,211	\$ 41,013	\$ 39,497
EBITDA ⁽¹⁾	\$ 17,747	\$ 5,846	\$ 3,248	\$ 4,250	\$ 4,403
EBITDA margin ⁽¹⁾	10.8%	13.3%	8.1%	10.4%	11.1%
EBITDA per share ⁽¹⁾	\$ 0.14	\$ 0.04	\$ 0.02	\$ 0.03	\$ 0.04
Net interest expense, debt	\$ 638	\$ 132	\$ 119	\$ 149	\$ 238
Net (loss) income attributable to common shareholders	\$ (4,880)	\$ (4,784)	\$ 75	\$ (1,902)	\$ 1,731
Net (loss) income attributable to common shareholders per share	\$ (0.04)	\$ (0.04)	\$ 0.00	\$ (0.01)	\$ 0.01
Cash flow from operations	\$ 16,489	\$ 4,052	\$ 3,166	\$ 3,356	\$ 5,915
Cash flow from operations per share	\$ 0.13	\$ 0.03	\$ 0.02	\$ 0.03	\$ 0.05
Capital expenditures	\$ 9,566	\$ 5,205	\$ 1,188	\$ 2,060	\$ 1,113
Equity attributable to common shareholders	\$ 178,547	\$ 178,547	\$ 182,186	\$ 181,765	\$ 182,795
Weighted average shares outstanding, net	130,895,835	132,755,559	132,755,559	132,755,559	125,213,346

	Trailing 12 Months	Q4 2020	Q3 2020	Q2 2020	Q1 2020
Revenue	\$ 151,304	\$ 41,710	\$ 35,314	\$ 30,999	\$ 43,281
EBITDA ⁽¹⁾	\$ 22,941	\$ 6,240	\$ 8,577	\$ 6,191	\$ 1,933
EBITDA margin ⁽¹⁾	15.2%	15.0%	24.3%	20.0%	4.5%
EBITDA per share ⁽¹⁾	\$ 0.18	\$ 0.05	\$ 0.07	\$ 0.05	\$ 0.02
Net interest expense, debt	\$ 1,595	\$ 260	\$ 391	\$ 502	\$ 442
Net (loss) income attributable to common shareholders	\$ (14,966)	\$ 3,926	\$ 1,133	\$ (7,816)	\$ (12,209)
Net (loss) income attributable to common shareholders per share	\$ (0.12)	\$ 0.03	\$ 0.01	\$ (0.06)	\$ (0.10)
Cash flow from operations	\$ 21,365	\$ 8,450	\$ 6,601	\$ 5,832	\$ 482
Cash flow from operations per share	\$ 0.17	\$ 0.07	\$ 0.05	\$ 0.05	\$ 0.00
Capital expenditures	\$ 4,530	\$ 994	\$ 999	\$ 1,214	\$ 1,323
Equity attributable to common shareholders	\$ 170,761	\$ 170,761	\$ 164,699	\$ 152,340	\$ 162,881
Weighted average shares outstanding, net	125,213,346	125,213,346	125,213,346	125,213,346	125,213,346

Notes:

⁽¹⁾ Refer to "Non-IFRS Measures" and "EBITDA Reconciliation" section for calculation of non-IFRS measures used in this table.

The main factors affecting comparability of results over the last eight quarters are:

- Operating performance of the Company's various business units, including cost-reduction initiatives and general market conditions during the reported periods;
- The impact of COVID-19 on certain of the Company's operations' revenues and expenses;
- The \$0.4 million of CEWS as an offset to wage expense for the three months ended December 31, 2021, \$1.4 million for the three months ended September 30, 2021, \$1.2 million for the three months ended June 30, 2021 and \$2.2 million for the three months ended March 31, 2021, as compared to \$2.1 million in the three months ended December 31, 2020, \$7.1 million for the three months ended September 30, 2020, \$8.8 million for the three months ended June 30, 2020 and \$0.6 million in the three months ended March 31, 2020. Other subsidies were also received, at varying levels during throughout 2021 as compared to 2020. Additionally, certain joint venture and associate entities also received CEWS during these periods;
- In December 2021, one of the Company's investment in joint ventures and associates took an impairment of goodwill and non-amortizing intangible assets, along with a valuation allowance on certain tax assets, resulting in the Company recording \$11.5 million share of losses from joint ventures and associates;
- In March 2021, the Company sold its energy business for net cash proceeds of \$4.3 million plus a potential earn-out of up to \$3.5 million. The earn-out is revenue based and payable over three years. The Company recorded an estimated \$1.2 million as a receivable relating to the discounted deferred consideration. A gain of \$2.2 million was recorded on the sale;

GLACIER MEDIA INC. MANAGEMENT'S DISCUSSION & ANALYSIS ("MD&A")

- In March, 2021, the Company and GVIC Communications Corp. ("GVIC") completed a Plan of Arrangement pursuant to which Glacier acquired all of the Class B voting common shares and Class C non-voting shares of GVIC not already held by Glacier and its subsidiary, and by a wholly-owned limited partnership of GVIC. Shareholders of GVIC received, for each GVIC Share held, 0.8 of a common share of Glacier. The transaction resulted in the issuance of 7,542,213 new Glacier common shares;
- In July 2020, the sale of a 45% non-controlling interest in ERI Environmental Risk;
- In November 2020, the Company, through its subsidiaries ERIS Information Inc. and ERIS Information LP (together "ERIS") acquired the assets of GeoSearch LLC, a U.S. based company, resulting in increased revenues and expenses in subsequent periods; and
- An impairment charge of \$23.5 million for the year ended December 31, 2020. \$3.5 million during the three months ended December 31, 2020, \$9.1 million during the three months ended June 30, 2020 and \$10.9 million during the three months ended March 31, 2020.

EBITDA RECONCILIATION

The following table reconciles the Company's net (loss) income attributable to common shareholders as reported under IFRS to EBITDA, which is considered a non-GAPP measure.

(thousands of dollars) except share and per share amounts	2021	2020	2019
Net (loss) income attributable to common shareholders	\$ (4,880)	\$ (14,966)	\$ 34,249
Add (deduct):			
Non-controlling interests	\$ 5,726	\$ 225	\$ 3,071
Net interest expense, debt	\$ 638	\$ 1,595	\$ 2,519
Interest expense, lease liability	\$ 479	\$ 595	\$ 675
Depreciation and amortization	\$ 12,626	\$ 12,152	\$ 13,760
Net gain on sale	\$ (2,207)	\$ -	\$ (47,713)
Impairment expense	\$ -	\$ 23,505	\$ 5,700
Other income	\$ (1,770)	\$ (3,014)	\$ -
Restructuring and other expenses (net)	\$ 5,426	\$ 5,796	\$ 5,288
Share of loss (earnings) from joint ventures and associates	\$ 5,467	\$ (3,309)	\$ (3,663)
Income tax (recovery) expense	\$ (3,758)	\$ 362	\$ (5,919)
EBITDA ⁽¹⁾	\$ 17,747	\$ 22,941	\$ 7,967
Weighted average shares outstanding, net	130,895,835	125,213,346	116,783,420
Net (loss) income attributable to common shareholders per share	\$ (0.04)	\$ (0.12)	\$ 0.29
EBITDA per share ⁽¹⁾	\$ 0.14	\$ 0.18	\$ 0.07

Notes:

⁽¹⁾ Refer to "Non-IFRS Measures" section for discussion of non-IFRS measures used in this table.

GLACIER MEDIA INC.

MANAGEMENT'S DISCUSSION & ANALYSIS ("MD&A")

SUMMARY OF FINANCIAL POSITION, FINANCIAL REQUIREMENTS AND LIQUIDITY

Glacier generates sufficient cash flow from operations to meet anticipated working capital, capital expenditures, and debt service requirements.

As at December 31, 2021, Glacier had consolidated cash and cash equivalents of \$21.7 million, current and long-term debt of \$8.1 million, and working capital of \$26.4 million excluding deferred revenue. Glacier's actual cash working capital is greater than reflected by the amounts indicated on the consolidated balance sheet due to deferred revenue relating to renewals and subscriptions that have been paid for by subscribers but not yet delivered; and the costs associated with the fulfillment of this liability are less than the amount indicated in current liabilities.

Capital expenditures were \$9.6 million in the year as compared to \$4.5 million in the prior year. The majority of the current year expenditures relates the purchase of land for the agricultural exhibition shows, the development and implementation of software and websites, content development, data and technology, leasehold improvements and the purchase of weather stations. Prior year capital expenditures primarily related to development and implementation of software and websites.

CHANGES IN FINANCIAL POSITION

(thousands of dollars)	2021	2020	2019
	\$	\$	\$
Cash generated from (used in)			
Operating activities	14,113	26,319	4,214
Investing activities	(342)	(6,391)	18,666
Financing activities	(6,302)	(10,766)	(20,884)
Increase in cash	7,469	9,162	1,996

The changes in the components of cash flows during 2021 and 2020 are detailed in the consolidated statements of cash flows of the financial statements. The more significant changes are discussed below.

OPERATING ACTIVITIES

Glacier generated cash flow from operations before changes in non-cash operating accounts of \$16.5 million for the year ended December 31, 2021 as compared to \$21.4 million in the prior year as a result of the factors stated under Revenue, Gross Profit, General & Administrative Expenses and EBITDA. Cash flow generated from operations after changes in non-cash working capital was \$14.1 million for the year ended December 31, 2021 as compared to \$26.3 million in the prior year.

INVESTING ACTIVITIES

Cash used in investing activities totalled \$0.3 million for the year ended December 31, 2021 as compared \$6.4 million in the prior year. Investing activities included \$9.6 million of capital expenditures, \$4.3 million of proceeds from the disposal of assets and \$0.2 million of net cash disposed of on sale (mainly relating to the sale of the energy operations), \$3.5 million distributions received from joint ventures and associates, \$0.2 million acquisitions, and \$1.8 million of other investing activities.

FINANCING ACTIVITIES

Cash used in financing activities was \$6.3 million for the year ended December 31, 2021 as compared to \$10.8 million in the prior year. The Company had net repayment of debt of \$0.3 million as compared to \$16.1 million in the comparative year, additional borrowing of debt of \$3.5 million relating to the mortgages on the land acquisition for the agricultural exhibition show sites, \$6.1 million distributions to non-controlling interests, \$1.2 million contributions from non-controlling interest, \$0.5 million repurchase of non-controlling interests, \$0.1 million

GLACIER MEDIA INC. MANAGEMENT'S DISCUSSION & ANALYSIS ("MD&A")

proceeds from the sale of non-controlling interests in a subsidiary, interest paid on debt of \$0.6 million, interest paid on lease liabilities of \$0.5 million, and principal payment of lease liabilities of \$3.2 million.

OUTSTANDING SHARE DATA

As at December 31, 2021 and March 25, 2022 there were 132,755,559 common shares and 1,115,000 share purchase warrants outstanding.

The warrants outstanding allow the holder to purchase one common share per warrant at \$4.48 per share. The warrants expire on June 28, 2029, unless extended.

CONTRACTUAL AGREEMENTS

As at December 31, 2021, the Company has an agreement with a major Canadian bank. The new facility matures on May 31, 2024 and is a revolving facility with no requirement for principal payments during the term.

In summary, the Company's contractual obligations due over the next five calendar years are as follows:

(thousands of dollars)	Total	2022	2023	2024	2025	2026	Thereafter
	\$	\$	\$	\$	\$	\$	\$
Debt	8,062	451	464	386	411	385	5,965
Undiscounted lease liabilities	14,443	3,594	3,459	2,711	1,499	984	2,196
	22,505	4,045	3,923	3,097	1,910	1,369	8,161

Under the existing agreement, the Company, its subsidiaries and its affiliates are required to meet certain covenants. The Company, its subsidiaries and its affiliates were fully in compliance with these covenants at December 31, 2021 and 2020.

FINANCIAL INSTRUMENTS

The Company's activities result in exposure to a variety of financial risks, including risks relating to foreign exchange, credit, interest rate, and liquidity risk.

Certain of the Company's products are sold at prices denominated in U.S. dollars while the majority of its operational costs and expenses are incurred in Canadian dollars. An increase in the value of the Canadian dollar relative to the U.S. dollar reduces the revenue in Canadian dollar terms realized by the Company from sales made in U.S. dollars.

The Company also has foreign operations in the United States and the United Kingdom, whose earnings are exposed to foreign exchange risk.

The Company sells its products and services to a variety of customers under various payment terms and therefore is exposed to credit risks from its trade receivables from customers. The Company has adopted policies and procedures designed to limit these risks. The carrying amounts for trade receivables are net of applicable expected credit loss allowances, which are determined using the expected credit losses ("ECL") model. Expected credit losses are measured as the present value of cash shortfalls from all possible default events, discounted at the effective interest rate of the financial asset. The Company is protected against any concentration of credit risk through its products, broad clientele and geographic diversity.

The Company's interest rate risk mainly arises from the interest rate impact on cash and floating rate debt. The Company actively manages its interest rate risk through ongoing monitoring of market interest rates and the overall economic situation.

The Company is exposed to liquidity risk with respect to trade payables, debt, and contractual obligations. The Company manages liquidity by maintaining adequate cash balances and by having appropriate lines of credit

GLACIER MEDIA INC. MANAGEMENT'S DISCUSSION & ANALYSIS ("MD&A")

available. In addition, the Company continuously monitors and reviews both actual and forecasted cash flows. Management believes that future cash flow from operations and the availability under existing banking arrangements will be adequate to support its financial liabilities. Glacier's actual cash working capital is greater than reflected by the amounts indicated on the consolidated balance sheet due to deferred revenue relating to renewals and subscriptions that have been paid for by subscribers but not yet delivered; and the costs associated with the fulfillment of this liability are less than the amount indicated in current liabilities.

The carrying value of certain financial instruments maturing in the short-term approximates their fair value. These financial instruments include cash and cash equivalents, trade and other receivable, trade and other payables, debt and other current and non-current liabilities (classified as measured at amortized cost), and other investments (classified as measured at fair value through other comprehensive income or fair value through profit and loss). The fair values calculated approximate the amounts for which the financial instruments could be settled between consenting parties, based on current market data for similar instruments. Consequently, as estimates must be used to determine fair value, they must not be interpreted as being realizable in the event of an immediate settlement of the instruments.

BUSINESS ENVIRONMENT AND RISKS

IMPACT OF (COVID-19)

Since the end of March 2020 several measures have been implemented in Canada and the U.S. in response to the increased impact from novel coronavirus (COVID-19). While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on the Company's business operations are expected to continue for some time. The duration and impact on overall customer demand cannot be reasonably estimated at this time, but it is anticipated this may have a further adverse impact on the Company's business, results of operations, financial position and cash flows in future periods. See "Significant Developments in 2021, Operating Highlights and Outlook – Impact of COVID and Actions Taken".

FOREIGN EXCHANGE

Certain of the Company's products are sold at prices denominated in U.S. dollars while the majority of its operational costs and expenses are incurred in Canadian dollars. An increase in the value of the Canadian dollar relative to the U.S. dollar reduces the revenue in Canadian dollar terms realized by the Company from sales made in U.S. dollars.

The Company also has foreign operations in the United States and the United Kingdom, whose earnings are exposed to foreign exchange risk.

GOVERNMENT PROGRAMS

The Department of Canadian Heritage's Canada Periodical Fund's Aid to Publishers program and Special Measures for Journalism program provides subsidies to eligible Canadian publications, including Western Producer Publications, Farm Business Communications and the Glacier community media group. While the Aid to Publishers program has been in place for decades, there is no guarantee that this subsidy will continue to be offered.

The federal government introduced a journalism tax credit whereby qualifying news organizations may apply for a refundable tax credit applied to the salaries of certain journalists.

The federal government introduced the Canadian Emergency Wage Subsidy program to help businesses keep workers employed through the challenges posed by the COVID-19 pandemic. The Company no longer qualified for the CEWS program funding after October 2021.

GLACIER MEDIA INC.

MANAGEMENT'S DISCUSSION & ANALYSIS ("MD&A")

GENERAL MARKET CONDITIONS

Glacier's Community Media Group generates revenue through the sale of advertising and newspaper subscriptions. As such, it is reliant upon general economic conditions and the spending plans of advertisers. A significant downturn in the national or regional economies may adversely affect revenues, as could significant changes in advertisers' promotional strategies.

Glacier's publications are affected by changes in the prices of purchased supplies, including newsprint.

Although Glacier is well diversified, competition is a continuing risk from existing businesses or new ones in a variety of media formats including print, online, radio and broadcast.

- The Community Media Group publishes newspapers in a variety of communities in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec and the United States, and is diversified as a result;
- Glacier FarmMedia, Glacier Resource Innovation Group and Business in Vancouver publishes a wide variety of publications distributed across Canada;
- ERIS provides comprehensive information from a variety of databases regarding potential environmental liability; and
- Glacier disseminates its information in print, online and digital format.

The large North American business information and community media markets continue to offer many growth opportunities for the Company.

Certain of our products operate in the commodity and resource space and are subject to the fluctuations in their price, volume and other factors in their various markets.

The Company operates mainly in Canada and has operations in areas where cases of COVID-19 exist. The Company's customers also operate in these same areas. The Company may experience impacts from quarantines, market downturns and changes in consumer behavior related to pandemic fears and impacts on workforce if the virus becomes widespread in any of the markets in which the Company operates. The Company cannot predict the full impact of COVID-19 or any other future global pandemic on business, but could suffer financial losses as a result of such a crisis.

Additional information on the Company's business environment and risks is included in the Company's Annual Information Form filed on SEDAR.

DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company has established disclosure controls and procedures to ensure that information disclosed in this MD&A and the related consolidated financial statements was properly recorded, processed, summarized and reported to the Audit Committee and the Board. The Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") have evaluated the effectiveness of these disclosure controls and procedures for the year ending December 31, 2021, and have concluded that they are effective.

The CEO and CFO, while acknowledging responsibility for the design of internal controls over financial reporting ("ICFR"), and confirming that there were no changes in these controls that occurred during the most recent year ended December 31, 2021 which materially affected, or are reasonably likely to materially affect, the Company's ICFR and based upon their evaluation of these controls for the year ended December 31, 2021, the CEO and CFO have concluded that these controls are effective. The CEO and CFO have certified such findings and reported to the Audit Committee, which in turn, has included such certification and report in the Audit Committee's recommendation to the Board of Directors. The Board of Directors in passing its resolutions acknowledges that it is basing and relying on such certification and report.

GLACIER MEDIA INC.

MANAGEMENT'S DISCUSSION & ANALYSIS ("MD&A")

CRITICAL ACCOUNTING ESTIMATES

The preparation of the annual consolidated financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the amounts recorded in the consolidated financial statements. Management regularly reviews these estimates, including impairment of goodwill and assets with indefinite and finite lives, retirement benefit assets/obligations, income taxes, fair value assessment of business combinations, and useful lives for depreciation and amortization of property, plant and equipment and finite life intangible assets. While it is reasonably possible that circumstances may arise which cause actual results to differ from these estimates, management does not believe it is likely that any such differences will materially affect Glacier's financial position.

THE IMPACT OF COVID-19

The impact of the COVID-19 pandemic, with its combined health toll and sharp decline in global economic output, is unprecedented and the full extent of the impact will depend on future developments. These developments are highly uncertain and cannot be accurately predicted, including new information which may emerge concerning its severity, its duration and actions by government authorities to contain the outbreak or manage its impact. As a result, it is possible that circumstances may arise which cause actual results to differ from the estimates applied in these consolidated financial statements, and such differences affecting Glacier's future financial position and results cannot be determined at this time.

INCOME TAXES

In accordance with IFRS recommendations, Glacier recognizes deferred income tax assets when it is more likely than not that the future income tax assets will be realized. This assumption is based on management's best estimate of future circumstances and events. If these estimates and assumptions are changed in the future, the value of the future income tax assets could be reduced or increased, resulting in an income tax expense or recovery. Glacier re-evaluates its future income tax assets on a regular basis.

RETIREMENT BENEFIT ASSETS/OBLIGATIONS

Glacier's defined benefit plan provides both pension and other retirement benefits to certain salaried and hourly employees not covered by industry union plans.

Effective December 31, 2015, the Company made the decision to eliminate future benefit accruals under the defined benefit provision of the plan. Credited Service and final average earnings were permanently set. This change affects all members who were actively accruing benefits in the Plan as at December 31, 2015. Effective January 1, 2016, all eligible employees have joined a new defined contribution plan sponsored by Glacier. The Company also has health care plans covering certain hourly and retired salaried employees. Effective December 31, 2015, the post retirement benefit plan was closed for new retirees. Employees retiring after December 31, 2015, are not eligible for post-retirement benefits. The Company's defined benefit pension plan related to its subsidiary remains unchanged.

Glacier uses independent actuarial firms to perform actuarial valuations of the fair value of pension and other retirement benefit plan obligations. The application of these recommendations requires judgments regarding certain assumptions that affect the accrued benefit provisions and related expenses, including the discount rate used to calculate the present value of the obligations and the assumed health care cost trend rates. Management and the Board of Director's Pension Committee evaluate these assumptions annually based on experience and the recommendations of its actuarial firms. Changes in these assumptions result in actuarial gains or losses, which are recorded in comprehensive income or loss for the year.

SHARE-BASED PAYMENTS

The Company provides incentives via share-based payment entitlements. The fair value of entitlements is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the equity instrument, the vesting and performance criteria, the share price at the grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the

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term of the equity instrument. If certain assumptions used in the fair value calculation were to change, there would be an impact on the statement of operations in future financial periods.

IMPAIRMENT OF INTANGIBLE ASSETS AND GOODWILL

Goodwill, which is the excess of the purchase price paid for an acquisition over the fair value of the net assets acquired, is not amortized but is assessed annually for impairment or more frequently if events or circumstances indicate that it may be impaired.

Indefinite life intangible assets consisting mainly of mastheads which have an indefinite useful life and are not amortized, but tested annually for impairment or more frequently if impairment indicators arise.

Intangible assets with a finite life, which consist of subscription lists, customer relationships, other intangible assets and data and technology, and software, are reviewed for impairment when the occurrence of events or changes in circumstances indicates that the carrying value of the assets may not be recoverable.

For goodwill, finite life intangible assets and investments in joint ventures and associates, the recoverable amount was determined using five year cash flow budgets approved by management that made maximum use of observable market inputs and outputs. For periods beyond the budget period, cash flows were extrapolated using expected future growth rates taking into consideration historical rates and projected future structural changes to the industry, in the respective CGU or groups of CGUs and taking into account expected future operating results, cost savings achieved through cost savings initiatives, economic conditions and outlook for the industry within which the reporting unit operates. For certain CGU's, where cash flows have become difficult to forecast, we have also considered other valuation techniques such as an enterprise value approach utilizing revenue multiples, and considering other comparable market information.

For indefinite life intangible assets, the recoverable amount was determined using budgeted revenues to determine the relief from royalties that the mastheads and trademarks provide. For periods beyond the budget period, revenues were extrapolated using expected future growth rates taking into consideration historical rates and projected future structural changes to the industry.

The methods are based on many assumptions and estimates that may have a significant impact on the recoverable value of a CGU, and as a result on the amount of impairment recorded, if any. The impact of any significant changes in assumptions and the review of estimates are recognized through profit or loss in the period in which the change occurs.

In 2021, no indicators of impairment were present, as such no impairment was recorded. In 2020, certain CGU's continue to be impacted by the negative impacts of COVID-19 pandemic, along with the continued decline of the industry, and based on the annual testing a further \$3.5 million impairments were recorded in the fourth quarter for a total of \$23.5 million for the year ending December 31, 2020.

In its assessment of the recoverable amounts of the groups of CGUs, the Company performed a sensitivity analysis of key assumptions used in the testing: discount rates, EBITDA growth and revenue growth. The results of the sensitivity analysis show that the majority of the CGU's would not be sensitive to a reasonable change in key assumptions used to determine the recoverable amount and would not cause the carrying amount of those CGU's or group of CGUs to exceed their recoverable amounts. Certain CGU's included in the BC Community Media Group would be sensitive.

FAIR VALUE OF BUSINESS COMBINATIONS

On the acquisition of a business, the Company is required to identify and measure the various assets and liabilities acquired. This is based on the estimated fair value of each item acquired with the remainder of the purchase price being recognized as goodwill. Judgements are used when determining the split between intangible assets and goodwill. Estimates and judgments related to revenue and gross margin forecasts, customer attrition rate, and discount rate are used to determine the overall fair value of the purchase price when there is deferred and variable consideration.



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To estimate the fair value of the customer relationships, management used the excess earnings method by using a discounted cash flow model. Management developed key assumptions related to revenue and gross margin forecasts, customer attrition rate, and discount rate. To estimate the fair value of the data, management used the replacement cost method.

ESTIMATED USEFUL LIVES

Management estimates the useful lives of property, plant and equipment and finite life intangible assets based on the period during which the assets are available for use. The amounts and timing of depreciation and amortization for these assets are affected by useful lives. The estimates are reviewed annually and are updated for changes in the assets' expected useful lives.