



VIQ Solutions Inc.

2017 Management's Discussion and Analysis of
Financial Condition and Results of Operations

(Expressed in United States dollars)

VIQ Solutions Inc.
Management's Discussion and Analysis of Financial Condition and
Results of Operations for 2017

Basis of Presentation

The following Management's Discussion and Analysis ("MD&A") comments on the financial condition and results of operations of VIQ Solutions Inc. ("VIQ" or the "Company") for the year ended December 31, 2017. The information contained herein should be read in conjunction with the audited consolidated financial statements for fiscal 2017.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of consolidated financial statements.

The policies applied in these consolidated financial statements are based on IFRS policies effective as of April 20, 2018, the date the Board of Directors approved the consolidated financial statements.

This document contains forward-looking statements, which are qualified by reference to, and should be read together with, the Forward-looking Statements section of this MD&A.

Unless the context otherwise requires, all references to "VIQ", "Company", "VIQ Solutions", "our", "us", and "we" refers to VIQ Solutions Inc. and its subsidiaries. Additional information regarding the Company is available on SEDAR at www.sedar.com. This MD&A is dated April 24, 2018. All amounts herein are presented in United States dollars, unless otherwise stated.

Overview

VIQ provides a secure, complete technology and service platform for secure digital evidence capture and content management. In Australia, under the brands of Spark & Cannon and Dataworxs Australia, VIQ also provides transcription services and reporting for large judicial and public safety government organizations.

At our technology's core is powerful cybersecurity and content protection that brings us to the forefront of the competition. Our broad customer base includes organizations seeking secure technologies to effectively manage their growing digital evidence to extend their digital reach. Clients in law enforcement, military, intelligence, healthcare, immigration, insurance, judicial and legal, who all demand the highest degree of digital security and privacy, rely on VIQ for the capture, management and sharing of audio, video and other digital sensitive evidence.

VIQ's integrated platform is designed to defend against cyberattacks and corruption, ensuring the veracity of recorded content from any fixed or mobile capture devices will withstand authenticity challenges.

The authenticity and accuracy of audio and video segments must be established before digital content can be leveraged for evidentiary and teaching purposes. VIQ's advanced software tools enable customers to manage the flow and capture of a secure, complete digital record of important events, such as: court proceedings; suspect arrests; interrogations; occurrences at emergency centres; surgical training procedures at teaching hospitals and; countless others.

VIQ has earned the reputation of the trusted leader for providing a secure full-spectrum workflow from capture to management and sharing of highly sensitive digital evidence or proof. In 2017, we identified the need and opportunity for providing the ability to generate new value

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from customers stored digital assets through the application of specialized artificial intelligence (“ai”) and analytics. Applying our specialized aiAssist™ service platform, customers can leverage market proven artificial intelligence tools and methods that allow them to mine and process enormous volumes of disparate data in minutes versus traditional techniques taking hours or days. By way of example, Courts will have the ability to produce a transcript of a proceeding in minutes vs traditional transcription processing which takes days. This produces a significant cost reduction and allows legal professionals to review and assess the legal record in near real-time.

Outlook and Strategy

This “Outlook and Strategy” section contains certain forward-looking statements. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. Please refer to the section “Forward-looking Statements” of this MD&A.

Our Markets

VIQ has long been a leader in the capture of sensitive digital evidence information worldwide. A shift secure transfer of media, emergence of low-cost hardware enabling the interconnection of devices, and the collection of vast amounts of audio and video data is driving new opportunities for VIQ. With aiAssist™, we can now deliver powerful, vertically oriented artificial intelligence solutions that will transform the way our markets and customers operate and the intelligence available for informed decisions.

We focus on developing software solutions, that appeal to security and privacy conscious organizations who collect highly sensitive evidence-based digital data and want superior cybersecurity. The Company is technology agnostic with respect to the mode of data collection and ai engines. That presents a wide partner universe with respect to each market segment being serviced.

VIQ's focus on security and privacy of the digital data is second to none. We comply with the strictest government security regulations, including military and intelligence agencies, as well as medical privacy standards such as HIPAA and provide an end-to-end solution extending from capture of the data, through sophisticated management and workflow engines. Now this is enhanced with artificial intelligence supporting the ability to mine and process digital media within our military grade security layer is a very unique and compelling offer to our markets.

VIQ's customer base has historically focused on courts and legislatures where security is most important to protect highly sensitive evidence. By the end of 2017, the Company substantially transformed its business model by diversifying its customer base to 40% law enforcement and intelligence, 40% judicial and a fast evolving 20% medical.

VIQ's major emphasis on cybersecurity enables us to target high profile, high growth markets including immigration, intelligence, law enforcement, healthcare, insurance, legal, transcription and military. Substantial gains were achieved into all new markets, resulting in important customer wins with police forces, medical institutions and law offices in Canada, the USA and Australia.

These new customer wins enhanced VIQ's profile and reputation for providing secure end-to-end

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evidence capture and management solutions. Our new visibility resulted in VIQ's participation in multiple pilot projects with large scale government agencies and organizations. We anticipate converting many of these pilots to full rollouts in 2018 and 2019.

In Australia, Spark & Cannon continues their market diversification, winning higher revenue, higher margin integrated software and service contracts. These have expanded to include the company providing front end capture technology in addition to the transcription services traditionally provided. VIQ is the only competitor with a complete end-to-end workflow. Our integrated solution covers from point of capture through transcription and reporting built into a cybersecure platform. In 2017, S&C successfully leveraged their stellar reputation as a transcription provider into multiple integrated contract wins with medical and law enforcement agencies across Australia.

In late 2016, the Company began the necessary infrastructure investments to transition toward a software as a service ("SaaS") revenue model. Given the size, nature and visibility of our sales pipeline for 2018-2019, we anticipate this SaaS option will continue to gain traction in multiple markets including medical, law enforcement and other security conscious customers as they seek out secure, intelligent Cloud-based platforms available for a recurring monthly fee.

Strengths

Global interest in securely managing multiple streams of AV data has accelerated. Furthermore, the rapid evolution and adoption of artificial intelligence is exploding in many markets.

Interrogation rooms now are fitted with digital recording devices to replace the outdated, insecure analog or DVD/Blu-ray based recording systems of the past. Those legacy systems are labour-intensive requiring manual intervention to transfer and analyse data. Similarly, hospital operating theatres and teaching facilities with digital recording devices improve quality-of-care and document procedures and training while maintaining privacy. Government agencies are replacing standalone audio recordings with network-based audio/video with workflow enabled enterprise platforms.

This improved capture technology and increased demand creates a new challenge: How to deliver insights from the vast amount of digital customer data while ensuring that the data is kept private and secure.

This is where VIQ excels. At the heart of our solution is a focus on security combined with workflow flexibility. With the addition of our aiAssist™ artificial intelligence platform, we now provide an end-to-end solution that includes capture, management, analyses and transcription that our competitors simply cannot match.

VIQ provides a secure and reliable synchronization technology from capture devices to central repositories. We capture audio-video feeds from virtually any device – smartphone, body cam, VoIP phone system, aerial drone, IP camera – and route the recording through our secure workflow where it is protected by more than a dozen cybersecurity methods and techniques.

Secure recordings are easily accessible to authorized and authenticated users. Once accessed they can be enhanced by a range of sophisticated workflow and artificial intelligence services such as automated transcription, redaction, multimedia attachments, remote live monitoring and more. This feature set enhances our ability to win and retain large scale national, federal and

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international customers managing large digital data stores. That opens further opportunities for these agencies to apply artificial intelligence to process and gain deeper insights by leveraging our SaaS aiAssist™ platform. All within the same military grade security environment.

VIQ seamlessly integrates a wide variety of third party hardware and software systems including: case management systems, body worn cameras; scheduling systems; digital sensors; medical equipment and more. We integrate with leading, established global partners such as Nuance Communications, developers of the market-leading Dragon speech recognition platform. Through these partnerships we provide value added technologies that enhance our sophisticated secure workflow. This best of breed integration strategy carries through with our latest aiAssist™ solution. With aiAssist™, we deliver on the rapid advancement of artificial intelligence engines by the worlds leaders such as Google, IBM, Microsoft, and Amazon that have been impossible prior to ai. Although very powerful, these engines are trained and built for mass market consumption. For vertically specific markets they do not deliver the specialized depth and knowledge that is required for these industries. Our approach with aiAssist™ is to leverage these best-of-breed ai technologies and apply our domain expertise. That combined with access to the petabytes of data we currently capture and store for our customers, allows us to build industry specific modules and combine them with basic ai engines for high-performance solutions. Our ai services modules combine these engines with proprietary industry knowledge and learning that is required for industry specific applications to succeed.

Our ai module-based service offerings are strategic as they are completely agnostic to the commercial ai engines, allowing us the flexibility to deliver the best ai engine for each vertical, while keeping our proprietary IP firewalled.

Innovation and Intellectual Property

VIQ is recognized as an innovation leader. A number of technological breakthroughs on our core offering were achieved recently that distanced VIQ from competitors and earned worldwide attention from partners and customers.

VIQ was awarded patent pending status in Q3 2016 for key high performance intellectual property related to competency-based training workflow leveraging secure AV and digital assessment and analytics. We have a number of additional patents that we are working on, which relate to our proprietary artificial intelligence algorithms, and we anticipate completing these patent filings by the end of 2018.

Cloud-based technology is another key strategic area where VIQ maintains technological leadership. In 2016, we responded to increased demand for cloud-based solutions by making necessary infrastructure investments that would extend our lead in cybersecure content capture, mobility and zero-infrastructure solutions. To maximize customer choices, VIQ has leveraged leading global cloud providers including Amazon and Microsoft to deliver these solutions. The VIQ workflow is also compatible with private cloud solutions.

VIQ again led the market in early 2017 with the release of two secure smartphone apps for Apple and Android based devices. These apps were designed to seamlessly communicate with existing VIQ solutions, meet the same stringent security requirements and leverage the content management and collaboration solutions offered. The apps provide VIQ customers with mobile capture and simplified recording control. They are an integral part of both our patent pending

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workflow and shift toward a SaaS based revenue model.

2018 and Beyond

VIQ's pipeline expanded significantly in recent quarters and we are in the process of converting strategic pilot programs in 2017 into full scale projects, particularly at the US federal level, the Canadian medical market and in Europe.

Around the world, an increased focus on immigration, intelligence, law enforcement and homeland security produced increased interest in VIQ from federal government agencies. Multiple large-scale pilot projects are currently underway with international agencies related to digitization of evidence collection, associated workflow and collaboration.

VIQ anticipates several of these projects will convert to a full rollout in 2018 and 2019. These pilots represent enterprise level wins with prestigious cybersecurity minded customers and will assure VIQ's reputation as the global leader for secure digital AV capture and management and collaboration managed services.

In North America, we continue to win new customers in the medical and law enforcement markets as well as expand service offerings to existing countrywide court and judicial installations. Following our success with the McMaster University School of Medicine, pilot projects are being advanced with Canadian and US medical institutions that we anticipate converting to implemented solutions in early 2018.

In Australia, we expect to continue winning new contracts with legal, law enforcement and medical agencies. Spark & Cannon, leveraging their reputation as a leading secure transcription provider have experienced increasing interest and success with integrated technology and service contracts which deliver higher revenue and margins. Through Spark & Cannon and Dataworx, we have a complete end-to-end medical dictation, speech recognition and transcription solution that leverages the strength of partners like Nuance.

One of the highest growth opportunities for VIQ continues to be in recurring subscription revenue in the rapidly expanding SaaS and secure cloud markets, specifically leveraging our new aiAssist™ on demand billing offerings. We anticipate SaaS revenue will continue to be a significant driver of new recurring revenue in 2018 and beyond as our cloud-based and artificial intelligence offerings start to gain traction with judicial, medical, law enforcement and other security minded customers. The size, nature and composition of our sales pipeline for 2018-2019, reinforces the Company's belief that the growth path for VIQ lies in recurring subscription revenue and aligning artificial intelligence metered billing to the content being captured, managed and stored in VIQ's platform.

Critical technological innovations and significant new customer wins established VIQ in 2017 as the highest quality and feature-rich provider of advanced AV capture, management and collaboration solutions and services. As a result, VIQ now attracts attention from large scale government agencies around the world. We will continue experiencing normal sales cycle challenges as we progress through the pilot phase with sophisticated government agencies meeting their extreme security and cybersecurity scrutiny. Our successes with these extensive review processes boost the confidence in the strength of our solution and dictate the potential for several enterprise level customer wins in 2018. VIQ is committed to sustained growth and developing recurring revenue streams in 2018 and beyond while we continue to invest in

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solutions, services and the resulting intellectual property.

2017 Business Highlights

2017 was a year of significant growth for VIQ Solutions, the start of an incremental transition to Software-as-a-Service ("SaaS") and technological innovation:

- Revenues increased 36% to \$11.7 million from \$8.6 million in 2016.
- Year over year, software revenue increased by 52% and services by 29%.
- Recurring revenue reached \$9.1M in 2017, up 23% from previous year due to a combination of new wins, organic growth, transition to Software-as-a-Service "SaaS" and convergence of integrated technology and transcription services in Australia.
- Accelerated the transition to Software-as-a-Service ("SaaS") revenue model to increase recurring revenue and drive VIQ's future growth.
- Launched CyberCrypt as an ultra-secure extension in cloud computing, with advanced cybersecurity and content protection for the world's most security conscious organizations.
- CyberCrypt is being deployed in two large-scale paid pilots with international agencies, which are anticipated to convert to full SaaS deployments in 2018. These paid pilots have not been announced at the request of our customers.
- Completed brokered and non-brokered, private placement of \$3.9M to accelerate the commercialization of aiAssistTM, the artificial intelligence extension of VIQ's existing platform.
- By year end, the contracted backlog of aiAssistTM orders exceeded \$400,000. These orders have not been announced. VIQ expects to release the size of this contracted backlog in the second half of 2018.
- Signed two strategic OEM agreements with Nuance: one in Australia for Dragon Speech Recognition aimed at medical and legal markets, and the second in North America for NTE, Nuance's multi-speaker speech recognition.
- Announced several new wins with hospitals and medical agencies around the world for ultra-secure digital evidence capture and content management, leading edge VoIP dictation, and secure cloud-based transcription workflows.
- Announced first customer on the new SaaS platform, the UK Nursing and Midwifery Council, on a monthly subscription basis.
- Announced first customer on SatCon Mobile App integrated with speech recognition.
- Announced several wins in Australia for integrated technology and transcription services.
- Announced significant EMEA growth with multiple new wins in Europe, Middle-East and Africa.
- Announced new wins with leading US transcription providers for complete digital statement capture, storage, and transcription workflows that emphasize client security and privacy.
- Expanded our North American sales team to focus on growing sales of aiAssistTM.

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Operating Results

To better reflect the evolving profile of the Company's revenue, sales pipeline and cash flows, VIQ's financial results are now being reported in U.S. dollars ("USD"). The change in reporting currency will provide shareholders with a more accurate reflection of the Company's financial performance and revenue, which is increasingly generated in USD. VIQ's USD transactions include sales to U.S. customers and other international customers who transact with VIQ in USD.

Financial Highlights

(In thousands of dollars, except per share amounts)

	Year ended December 31,		Favourable (Unfavourable) % Change
	2017	2016	
<u>Consolidated Statement of Operations</u>			
Recurring revenue	\$ 9,145	\$ 7,422	23%
Non-recurring revenue	2,585	1,204	115%
Total revenue	11,730	8,626	36%
Gross profit	4,624	3,477	33%
% of revenue	39%	40%	
Operating expenses	5,414	4,333	(25)%
Net Loss	(851)	(951)	11%
Net Loss per share	(0.01)	(0.01)	–
Other measures:			
EBITDA*	(552)	(621)	11%
Adjusted EBITDA*	(168)	(108)	(55)%

Our revenue grew 36% to \$11,730,471 for the year ended December 31, 2017 from \$8,625,645 for 2016. EBITDA* for the year was a loss of \$551,667 compared to a loss of \$621,445 for 2016. Adjusted EBITDA* for the year was a loss of \$167,667 compared to a loss of \$107,670. Net loss for the year was \$851,117 compared to a net loss in 2016 of \$950,801.

- * EBITDA (Earnings before Interest, Taxes, Depreciation & amortization) and Adjusted EBITDA (Earnings before Stock-based compensation, Interest, Taxes, Depreciation & amortization) are non-IFRS measures. Please refer to the section entitled "Reconciliation and Definition of Non-IFRS Measures."

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EBITDA loss for the year takes into account the accelerated investment in our Artificial Intelligence program throughout Q3 and Q4 of 2017. These growth investments in the second half of 2017 will continue to drive further growth in 2018 and beyond as new client demands rapidly evolve to do more with their digital secured content. We plan to address these demands from our globally diversified clients via a series of aiAssist™ subscription services.

As outlined below, we incurred significant one-time costs related to growth expansion, technology innovation and various costs related to scaling the company to meet new growth of 36% year over year. The total of these one-time costs incurred throughout the year amounted to approximately \$708,000.

Recurring revenue for the year grew by 23% over the same period in 2016. The increase is due to higher recurring support and maintenance revenue as well as increased demand for the Company's subscription and cloud-based solutions. We anticipate subscription revenue in the technology division will continue to increase due to overall global market trends and increased demand from enterprise customers for cloud-based workflows.

Non-recurring revenue grew by 115% year over year. The increase is due to strategic license sales of our software solutions in law enforcement, medical and legal markets as well as upgrades from existing clients investing into their digital recording infrastructure and expanding with new functionalities.

As the company continues to transition to subscription revenue particularly with aiAssist™ and Mobile Apps, it is anticipated that the non-recurring revenue will decrease and will be incrementally replaced with subscription recurring revenue.

The technology segment experienced a 52% growth in revenue as new customers continued to adopt our software solutions. We continue to focus on growth in our software and services revenue through the feature expansion of existing customers and the aggressive pursuit of new customers in new, high-growth markets such as immigration, law enforcement, and medical.

Revenue from our transcription and reporting segment grew by 29% over the previous year as Spark & Cannon continued to win new contracts in Australia. Revenue also increased as Spark & Cannon was awarded higher revenue integrated reporting and transcription contracts as opposed to transcription only contracts.

Since 2015, the Company has made a concerted effort to expand into market verticals outside of the historic court market in search of new growth opportunities. The Dataworxs acquisition of 2015 brought an immediate change to our customer mix, but VIQ has continued to organically grow and win new customers in our targeted medical and law enforcement/public safety segments.

Revenue from the court markets continues to play a key role to support and expand our service offering at existing customer sites around the world. We expect that the medical and public safety market segments will continue to grow as they represent a larger portion of new customer growth for VIQ as well as current pipeline opportunities.

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	2017	2016	2015	2014
Courts	40%	40%	50%	80%
Public Safety	40%	40%	34%	15%
Medical	20%	20%	16%	5%
	100%	100%	100%	100%

Our diversified customer base has over 200 public and private agencies, with thousands of users in over 20 countries. Such a broad and diverse customer base requires partnerships with local integrators, AV experts and our authorized reseller channel. In 2017, approximately 50% of VIQ's computer products and services revenue came through our global partner network while 50% was direct.

Our gross margins for 2017 were 39% compared to 40% in 2016. The decline is a result of Spark & Cannon in Australia acquiring a new large service contract (i.e. New South Wales Police for \$10M over 5 years) resulting in initial start-up costs of \$158,000 related to hiring and training.

Selling and administrative expenses for the year were \$4,498,960, an increase of 30% from the prior year of \$3,456,612. In the United States, an increased focus on immigration, intelligence, law enforcement and homeland security led to increased interest in VIQ from multiple federal government agencies. Selling and administrative expenses for the year increased as the Company took part in multiple intensive pilot projects with these agencies with extreme scrutiny on security and cybersecurity. While some revenue from these projects was recognized during the year, the majority of revenue is expected to be generated in 2018 as the projects move into the rollout phase. In support of these activities and to help with future growth we have added personnel to our sales and marketing functions after a number of years of reducing our spending in these areas in line with our limited resources. We also recorded a large reserve of \$500,000 related to a project where we worked with an independent contractor for a government agency. The contractor put a hold on the project and has not completed the milestones that were agreed upon. We are currently in dispute with the contractor in attempting to collect for work that has been performed by us. We also incurred a charge of \$50,000 to settle a dispute with a former service provider.

Stock based compensation for the year was \$384,000 compared to \$513,775 in the prior year. Stock based compensation decreased due to amending our Share Appreciation Rights ("SAR's") plan by placing a limit on the appreciated value of the Company's shares within the SAR's plan. This has resulted in a hold on any future stock-based compensation related to the SAR's plan. Stock based compensation related to the expensing of stock options previously granted remains in line with stock-based compensation in prior periods. We continue to grant stock options in our continuing efforts to attract, retain, and reward high value employees and other contributors to the Company.

Research and development was \$292,734 during the year compared to \$127,820 in the prior year, an increase of 129%. Our research and development efforts are focused on developing new

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products for our customers. We capitalize our development efforts, (i) when there is a technical feasibility of completing the product, (ii) our intention is to complete the product and use or sell it, (iii) we have the ability to use or sell the product, (iv) we know or understand how we will generate probable future economic benefits, (v) we have adequate technical, financial and other resources to complete the development, and (vi) our ability to measure reliably the expenditures attributable to developing the product. We anticipate a number of these products to come to market in 2018 at which time the capitalized costs will be amortized over the three-year expected life of each product. Costs associated with maintaining our existing products are expensed as they are incurred. During the year we added resources to our research and development team to accelerate the development of our new products, CyberCrypt and aiAssistTM and to continue to support our existing products resulting in a significant increase in our research and development expenses.

Continued growth, market diversification, sales and technology investments are expected to benefit 2018 as several large projects are anticipated to reach fruition. As we continue to build on our transformation plan, we anticipate increases in revenues as new products are introduced.

Basic and fully diluted net loss per common share for 2017 was \$0.01 (2016 – \$0.01). Certain options granted under our stock option plan and outstanding warrants have not been included in the calculation of the diluted loss per share as the effect would be anti-dilutive.

Financial Condition, Liquidity and Capital Resources

As at December 31, 2017, we had \$4,112,123 of cash as compared to \$1,929,333 in 2016 for a net increase in cash of \$2,182,790.

Cash used in investing activities was \$1,418,085 for the year ended December 31, 2017 as compared to a cash usage of \$420,968 in 2016, primarily due to development costs incurred in 2017 which will provide future benefits. We expect cash used in investing activities will increase in 2018 as we continue to invest in aiAssistTM, improvements to our web-based solutions, and our transition to a SaaS-based service offering.

Cash flow from financing activities was \$4,264,170 for the year ended December 31, 2017 primarily due to the private placement equity raise, along with warrants and options being exercised as compared to \$1,564,344 for the year ended December 31, 2016.

At December 31, 2017 we had working capital of \$3,668,852 compared to working capital of \$962,433 at December 31, 2016.

We intend to use our funds to meet funding requirements for the development and commercialization of our technology products and services based on anticipated market demand. Our actual funding requirements will vary depending on a variety of factors, including our success in executing our business plan, the progress of our research and development efforts, our commercial sales and our ability to manage our working capital requirements.

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Debt

The Company uses debt from time to time to fund operating losses and investment in working capital. However, since repaying long-term debt in 2016, VIQ has not taken on any additional debt in 2017.

Obligations under Finance Leases

The Company has finance lease obligations until 2020, primarily in our Australia-based operations. The monthly lease payments consist of principal repayment and interest and the weighted average imputed interest rate is 7.7%. The minimum payments under all agreements are as follows:

2018	\$ 43,996
2019	34,448
2020	7,965
	<hr/> 86,408
Less: imputed interest	(5,814)
	<hr/> 80,594
Less: current portion	(40,239)
	<hr/> \$ 40,355

The Company and its subsidiaries have entered into agreements to lease office premises until 2025. The annual rent expenses for premises consist of minimum rent plus realty taxes, insurance and common area maintenance costs. The minimum payments under all agreements are as follows:

2018	\$ 240,857
2019	164,224
2020	167,899
thereafter	347,325
	<hr/> \$ 920,305

Contingent Off-Balance Sheet Arrangements

We have entered into indemnification agreements with our current directors and officers to indemnify them, to the extent permitted by law, against any and all charges, costs, expenses, and amounts paid in settlement and damages incurred as a result of any lawsuit or any other judicial, administrative or investigative proceeding in which they are sued as a result of their services.

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The nature of the indemnification agreements prevents us from making a reasonable estimate of the maximum potential amount we could be required to pay to counterparties. We have purchased directors' and officers' liability insurance. No amount has been recorded in the consolidated financial statements with respect to these indemnification agreements nor are we aware of any pending matter against the Company.

Quarterly Results of Operations

The following table sets out certain unaudited quarterly results for the previous eight quarters. The information contained herein is drawn from the consolidated interim financial statements for each of the aforementioned periods.

	(000's of dollars)							
	2017 Dec 31	2017 Sep 30	2017 Jun 30	2017 Mar 31	2016 Dec 31	2016 Sep 30	2016 Jun 30	2016 Mar 31
Revenue	\$2,408	\$3,228	\$3,209	\$2,885	\$1,943	\$2,219	\$2,480	\$1,984
Gross profit	609	1,404	1,373	1,238	749	879	1,080	769
Net income (loss)	\$(1,060)	\$117	\$41	\$51	\$(207)	\$(409)	\$(193)	\$(257)

Quarterly results are subject to seasonal fluctuations that can significantly impact quarter-to-quarter operating results. As a result, one quarter's operating results are not necessarily indicative of what a subsequent quarters operating results will be.

Critical Accounting Policies and Estimates

For a complete description of the Company's Critical Accounting Policies and Estimates, including *Use of Estimates, and Accounting Standards Issued But Not Yet Applied*, please see the accompanying Notes to Consolidated Financial Statements for December 31, 2017 and 2016.

Reconciliation and Definition of Non-IFRS Measures

Earnings before Interest, Taxes, Depreciation and Amortization ("EBITDA") and Adjusted EBITDA which excludes Stock-Based Compensation, are non-IFRS measures used by management to provide additional insight into our performance and financial condition. We believe these non-financial measures are an important part of the financial reporting process and are useful in communicating information that complements and supplements the consolidated financial statements. Accordingly, we are presenting EBITDA and Adjusted EBITDA in this MD&A to enhance the usefulness of our MD&A. We have provided a reconciliation of EBITDA and Adjusted EBITDA to the most directly comparable IFRS number, the purpose of the non-GAAP measure and how the non-IFRS measures are used in managing the business.

We report EBITDA and Adjusted EBITDA because it is a key measure for management to evaluate performance of our business and business segments. The Company believes EBITDA and Adjusted EBITDA assists investors in comparing our performance on a consistent basis without regard to depreciation and amortization and changes in stock-based compensation, both of which can vary significantly dependent on accounting methods or non-operating factors such

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as historical cost.

EBITDA and Adjusted EBITDA are not calculations based on IFRS and should not be considered as an alternative to net loss in measuring the Company's performance. Investors should carefully consider the specific items included in our computation of EBITDA and Adjusted EBITDA.

The following is a reconciliation of EBITDA with net loss for the years ended December 31, 2017 and 2016.

	Year Ended Dec 31,	
	2017	2016
Operating loss	\$ (789,649)	\$ (856,421)
Add:		
Depreciation & amortization	237,982	234,976
EBITDA	\$ (551,667)	\$ (621,445)

The following is a reconciliation of Adjusted EBITDA with net loss for the years ended December 31, 2017 and 2016.

	Year Ended Dec 31,	
	2017	2016
Operating loss	\$ (789,649)	\$ (856,421)
Add:		
Depreciation & amortization	237,982	234,976
Stock based compensation	384,000	513,775
Adjusted EBITDA	\$ (167,667)	\$ (107,670)

Internal Controls over Financial Reporting and Disclosure Controls and Procedures

In accordance with National Instrument ("NI") 52-109 (Certification of Disclosure in Issuer's Annual and Interim Filings), the Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") file a Venture Issuer Basic Certificate with respect to the financial information contained in the financial statements and accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certification includes a 'Note to Reader' stating that the CEO and CFO do not make any representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI 52-109.

As part of our corporate governance practices, internal controls over financial reporting ("ICFR") and disclosure controls and procedures ("DC&P") have been designed. There has been no formal evaluation of the operation of these controls. The Company has designed its ICFR to provide reasonable assurance regarding the reliability of financial reporting and the preparation

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of financial statements for external purposes in accordance with IFRS. Management works to mitigate the risk of a material misstatement in financial reporting; however, a control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

The Company's DC&P have been designed to ensure that information required to be disclosed by VIQ Solutions is accumulated and communicated to the Company's management as appropriate to allow timely decisions regarding required disclosure. It should be noted that while the Company's CEO and CFO believe that the Company's DC&P provide a reasonable level of assurance that they are effective, they do not expect that the DC&P or ICFR will prevent all errors or fraud. There have been no material changes to the internal controls of the Company for the year ended December 31, 2017.

Risk Factors

Cash-flow: VIQ Solutions' business operations are subject to all of the risks inherent in the establishment and maintenance of a developing business enterprise, such as competition and viable operations management. The future earnings and cash flow from operations of the Company are dependent, in part, on its ability to further develop and market its products. There can be no assurances that the Company will grow and achieve profitability. The operations of VIQ Solutions have been funded to date by external financing and if sufficient cash flow from operations or earnings is not generated in the future, additional financing might be required.

Fluctuations in Periodic Results: The Company's operating results can vary substantially from period to period. Planned operating expenses are normally targeted to planned revenue levels for the period and are incurred equally throughout the period. If expenses remain relatively fixed, but the Company's revenues are less than planned in any quarter, the Company's operating results would be adversely affected for that quarter. In addition, incurring unplanned expenses could adversely affect operating results for the period in which such expenses are incurred. Failure to achieve periodic revenue, earnings and other operating and financial results could result in an immediate and adverse effect on the market price of the Company's common shares. The Company may not discover, or be able to confirm, revenue or earnings shortfalls until the end of a quarter, which could result in a greater immediate and adverse effect on the price of the common shares.

Additional Financing and Access to Capital: The Company may need to raise additional funds to bring its potential products to market and establish production and marketing capabilities. The Company's future capital requirements will depend on many factors, including continued progress in its research and development programs, competing technological and market developments, the cost of production scale-up, effective commercialization activities and arrangements and other factors not within the Company's control. The Company may seek additional funding through public or private financings.

Competition: The Company competes with a number of firms in various business segments. Competitors in Courts for example are different from the ones we are competing against in public safety, medical and legal. Some of these companies have greater financial, technological and personnel resources than those of the Company.

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International Operations: The Company's operations are currently located in Canada and Australia and its products and services are sold internationally. There are certain risks inherent in international operations including, but not limited to, remote management, unexpected changes in regulatory requirements, export restrictions, tariffs and other trade barriers, difficulties in staffing and managing foreign operations, longer payment cycles, problems in collecting accounts receivable, fluctuations in currency exchange rates, and potential adverse tax consequences, which could have a materially adverse effect on the Company's business, operating results, and financial condition.

Proprietary Intellectual Property: The Company relies on protecting its proprietary intellectual property in part through confidentiality agreements with its corporate resellers, strategic partners, employees, consultants and certain contractors. There can be no assurance that these agreements will not be breached, that the Company will have adequate remedies for any breach, or that the Company's trade secrets will not otherwise become known or independently discovered by its competitors. It is possible that the Company's products or processes will infringe, or will be found to infringe, on patents not owned or controlled by the Company. If any relevant claims of third-party patents are upheld as valid and enforceable, the Company could be prevented from practising the subject matter claimed in such patents, or would be required to obtain licenses or redesign its products and processes to avoid infringement. There can be no assurance that such licenses would be available at all or on terms commercially reasonable to the Company or that the Company could redesign its products or processes to avoid infringement. Litigation may be necessary to defend against claims of infringement or to protect trade secrets. Such litigation could result in substantial costs and diversion of management efforts regardless of the results of such litigation and an adverse result could subject the Company to significant liabilities to third parties, require disputed rights to be licensed or require the Company to cease using such technology.

Product Liability Exposure: The Company faces an inherent business risk of exposure to product liability and other claims in the event that the development or use of its technology or prospective products is alleged to have resulted in adverse effects. While the Company has taken, and will continue to take, what it believes are appropriate precautions, there can be no assurance that it will avoid significant liability exposure. Although the Company currently carries product liability insurance, there can be no assurance that the Company has sufficient coverage, or can obtain sufficient coverage at a reasonable cost. An inability to obtain product liability insurance at acceptable cost or to otherwise protect against potential product liability claims could prevent or inhibit the commercialization of products developed by the Company. A product liability claim could have a material adverse effect on the Company's business financial condition and results of operations.

Volatility of Stock Price and Absence of Dividends: The market price of the Company's common shares, like that of the common shares of many other software companies, has been and is likely to be somewhat volatile. Factors such as the Company's strategic alliances or its competitors', announcements of technological innovations or new products by the Company or its competitors, governmental regulatory actions, developments with the Company's collaborators, developments concerning patent or other proprietary rights of the Company or its competitors (including litigation), period-to-period fluctuation of the Company's operating results, changes in estimates of the Company's performance by securities analysts, market conditions for shares of software companies in general and other factors not within the control of

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the Company could have a significant adverse impact on the market price of the Company's common shares. The Company has never paid cash dividends on its common shares and does not anticipate paying any cash dividends in the foreseeable future.

Foreign Currency Fluctuations: Our monetary assets and liabilities denominated in currencies other than the Canadian dollar will give rise to a foreign currency gain or loss reflected in our comprehensive earnings. To the extent the Australian dollar weakens against the Canadian dollar, we may incur foreign exchange losses. Such losses would be included in our financial results and, consequently, may have an adverse effect on our share price. As we currently have a global customer base, a significant portion of our income is in US dollars and Great Britain pounds. However, a significant part of our expenses are currently generated in Canadian dollars, and we expect this will continue for the foreseeable future. The exchange rates between the Canadian dollar, the US dollar and the Great Britain pound are subject to daily fluctuations in the currency markets and these fluctuations in market exchange rates are expected to continue in the future. Such fluctuations affect both our consolidated revenues as well as our consolidated costs. Also, changes in foreign exchange rates may affect the relative costs of operations and prices at which we and our foreign competitors sell products in the same market. We do not currently have any currency hedging through financial instruments.

Forward-looking Statements

This MD&A contains forward-looking statements about our achievements, the future success of our business and technology strategies, performance, goals and other future events. Management's assessment of future plans and operations, cash flows, methods of financing and the ability to fund financial liabilities, and the timing of and impact of adoption of IFRS and other accounting policies may constitute forward-looking statements under applicable securities laws and necessarily involve risks including, without limitation, the risks identified above. As a consequence, the Company's actual results may differ materially from those expressed in, or implied by, the forward-looking statements. Forward-looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information but which may prove to be incorrect. Although VIQ Solutions believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because the Company can give no assurance that such expectations will prove to be correct.

In addition to other factors and assumptions which may be identified in this document and other documents filed by the Company, assumptions have been made regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which VIQ Solutions operates, including significant changes in demand from our customers as a result of the impact of the global economic crisis and capital markets weakness; the risk of potential non-performance by counterparties, including but not limited to, customers and suppliers, during uncertain economic conditions; our dependence on a limited number of customers; our dependence on industries affected by rapid technological change; our ability to successfully manage our operations internationally including in the United Kingdom, Australia and the United States; the challenge of managing our financial exposures to foreign currency fluctuations; our ability to obtain qualified staff and services in a timely and cost-efficient manner; our ability to obtain financing on acceptable terms including anticipated sources of

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funding of working capital and financial losses which may include securing credit facilities, accessing new equity, corporate acquisitions or business combinations or joint venture arrangements; the ability to secure new contracts on terms acceptable to the Company; the ability to successfully develop new products; the Company's ability to effectively register, for protection, its new and existing products in certain jurisdictions; the Company's ability to protect new and existing products from proprietary infringement by third parties and its ability to effectively enforce such proprietary infringements; taxes in the jurisdictions in which the Company operates, including Canada, the United Kingdom, Australia and the United States; and VIQ Solutions' ability to successfully market its products. Readers are cautioned that the foregoing list of factors is not exhaustive.

The purpose of the forward-looking statements is to provide the reader with a description of management's expectations regarding the Company's fiscal 2017 financial performance and may not be appropriate for other purposes. Readers are encouraged to read the section entitled "Risk Factors" in this MD&A for a broader discussion of the factors that could affect our future performance. Furthermore, the forward-looking statements contained in this document are made as at the date of this document and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Disclosure of Outstanding Share Data

VIQ Solutions Inc. common shares trade on the TSX Venture Exchange under the symbol "VQS". The Company is authorized to issue an unlimited number of common shares without par value. On April 24, 2018 there were 161,294,113 common shares issued and outstanding, 11,809,363 stock options outstanding with a weighted average exercise price of \$0.133 CAD expiring between 2018 and 2023, 11,494,107 warrants outstanding with a weighted average exercise price of \$0.354 CAD expiring between 2018 and 2019 and 1,999,998 deferred share units outstanding with an average exercise price of \$0.064 CAD with an expiry between 2020 and 2021.