



**MANAGEMENT'S DISCUSSION AND ANALYSIS
OF
KOVO HEALTHTECH CORPORATION**

**FOR THE THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2022 AND SEPTEMBER 30, 2021**

DATED NOVEMBER 30, 2022

KOVO HEALTHTECH CORPORATION

MANAGEMENT'S DISCUSSION & ANALYSIS

(All amounts expressed in thousands of US dollars, except share or per share amounts)

BACKGROUND

Kovo HealthTech Corporation (“Kovo” or the “Company” or the “Corporation”) was incorporated in British Columbia, Canada on February 20, 2020. The Company’s head office is 1600 – 925 West Georgia Street, Vancouver, BC, V6C 3L2, Canada.

This Management’s Discussion & Analysis (“MD&A”) for the three and nine months ended September 30, 2022, is dated November 30, 2022 and constitutes management’s review of the factors that affected the Corporation’s financial and operating performance for the three and nine months ended September 30, 2022 and guidance related to certain performance criteria post the quarter end. This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the audited consolidated financial statements of the Corporation for the years ended December 31, 2021 as well as the unaudited condensed consolidated interim financial statements for three and nine months ended September 30, 2022 together with the notes thereto.

Results are reported in thousands of US dollars, unless otherwise noted. The Corporation’s unaudited condensed consolidated financial statements and the financial information contained in this MD&A are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee.

Kovo HealthTech Corporation is a growing healthcare technology company that specializes in Billing-as-a-Service offering SaaS-style recurring revenue contracts and software for US healthcare clinics, hospitals and private practices. Kovo helps healthcare providers digitally track and manage complex patient care registration, services, billing and payments in a seamless way, using its proprietary OneRev technology platform. By offering effective billing practices and technology through long-term SaaS-style contracts, Kovo helps healthcare practitioners focus on offering quality care.

In addition to driving organic growth in our core business, Kovo is proactively pursuing a disciplined acquisition strategy which targets buying \$1 of ARR for every \$1 investment of debt or equity. Kovo targets medical billing operators with a minimum five-year operating track record to ensure consistent and predictable results. Leading US investment banking firm Lawrence, Evans & Co, estimates a pipeline of more than 15,000 US potential acquisition targets operating within the USD\$1 to \$10 million revenue range.

Kovo does not buy bricks and mortar clinics, which are costly and complex to operate. Instead, the Company focuses on acquiring existing, stable medical billing contracts and converts them over to our platform under SaaS-style agreements. Historically, this asset-light approach creates a 20-30% increase in efficiencies and immediate accretive revenue.

History of Our Business

MedWorx was co-founded in January 2002 by software development and medical billing experts Greg and Jeana Noble in Denver, Colorado. In 2007 MedWorx accelerated its growth by acquiring Healthcare Software Systems, Inc. By 2008, MedWorx began work on its Electronic Health Records EHR system and in 2010, the Company received certification from the United States Office of National Coordinator.

In 2018, MedWorx refocused its business to concentrate on healthcare Billing-as-a-Service (also known as RCM in the US market) software products and services. The Company generated revenue through a combination of organic growth through the addition of new customers — and by acquiring medical billing businesses and converting those businesses to the Company’s technology platform to optimize efficiencies.

On May 31, 2021, Kovo completed a reverse takeover transaction pursuant to the terms of an amalgamation agreement dated May 31, 2021, among Kovo, MedWorx Inc. (“MedWorx”), a Colorado corporation, and MW Acquisition Corp. (“Merger Sub”), a Colorado corporation and wholly-owned subsidiary of the Company (the “Reverse Takeover”). The Reverse Takeover was completed by way of a “three-cornered” amalgamation pursuant to the provisions of the Business Corporations Act (Ontario) whereby MedWorx amalgamated with Merger Sub to form an amalgamated corporation and a wholly owned subsidiary of Kovo. Effective May 31, 2021, Kovo completed a Common Share consolidation on the basis of 1:1 old common share into one new Common Share of Kovo (a “Common Share”). All shares and per share amounts have been restated to reflect the share consolidation retrospectively. Since MedWorx is deemed to be the continuing entity for accounting purposes,

KOVO HEALTHTECH CORPORATION

MANAGEMENT'S DISCUSSION & ANALYSIS

(All amounts expressed in thousands of US dollars, except share or per share amounts)

this MD&A represents the continuation of its results, and its assets and liabilities are included in the unaudited condensed consolidated interim financial statements at their historical carrying values.

Revenue Streams

The Company's primary revenue stream is healthcare Billing-as-a-Service contracts (Revenue Cycle Management Services).

Other revenue streams include:

- Recurring SaaS revenue for Ambulatory software and eHealth software
- Recurring licensing revenue from Inpatient systems
- Recurring revenue from associated services for our products (such as, electronic claim process, eligibility for reimbursement verifications, and electronic remittance advice)

Kovo currently serves over 1,700 health care providers representing over 3,500,000 active patients, which represents an exciting future opportunity to develop additional patient-facing services and accretive revenue streams.

KOVO HEALTHTECH CORPORATION

MANAGEMENT'S DISCUSSION & ANALYSIS

(All amounts expressed in thousands of US dollars, except share or per share amounts)

FINANCIAL HIGHLIGHTS

Reported in thousands of USD\$ unless otherwise specified

Revenue Growth

Kovo posted 134% year-over-year (“YoY”) revenue growth for the nine months ended September 30, 2022 versus the nine months ended September 2021 through a combination of organic growth of its core SaaS-style medical billing software and services business — and two strategic acquisitions that delivered immediate accretive growth.

	September 30, 2022		December 31, 2021	
	\$		\$	
Total Assets	\$	7,397	\$	7,334
Total Liabilities		6,809		7,504
Total Long Term Liabilities		5,027		4,035
Cash on Hand		1,130		711
Shareholders Equity (deficit)		588		(170)

Growth Metrics and 2022 Guidance

Key drivers of 2022 second quarter results were:

- Strong organic growth from the RPM Billing LLC acquisition in 2020
- The acquisition of [Midwest Medical Billing, Services Inc.](#) in July 2021
- The acquisition of [The Cvikota Company](#) in November 2021
- Successful debt and equity raise in 2021 to fund future acquisitions
- Receipt of \$1,850 from the U.S. Small Business Administration (“SBA”) under the Economic Injury Disaster Loan (“EIDL”) program administered by the SBA on April 26, 2022
- Forgiveness of the Paycheck Protection Program loan and accrued interest, totaling \$608 on July 7, 2022

The Company notes additional Q3 2022 highlights:

- Revenue for the three and nine months ended September 30, 2022 was \$2,520 and \$7.966 and 52% and 134% higher than revenues of \$1,654 and \$3,405 for the three and nine months ended September 30, 2021, respectively.
- Revenue for three months ended September 2022 decreased to \$2,520 from \$2,609 for the three months ended June 30, 2022 driven by the timing of payment processing as the number of claims processed are slower during the summer months.
- ARR as at September 30, 2022 was approximately \$10,300, an 81% increase over September 2021. ARR was adjusted as organic growth is slower than expected for new client signups, but supported through balanced operating expenses. The Company is investing into new corporate sites and sales/ marketing strategies to be implemented by Q1 2023 to re-establish increased organic growth through various channels.
- Kovo continues to consistently and reliably deliver positive cash flow from its RCM operations.
- Annual and year-over-year revenue growth was generated by a combination of new sales and the acquisition of new clients via the M&A transactions.
- The Company completed its 15th consecutive quarter of positive Adjusted EBITDA reflecting the long-term operating discipline with the organization. Adjusted EBITDA for the three and nine months ended September 30, 2022 was \$5 and \$316 relative to Adjusted EBITDA for the three and nine months ended September 30, 2021 of \$7 and \$137. Adjusted EBITDA margin for the three and nine months ended September 30, 2022 was 0.2% and 4.0% (three and nine months ended September 30, 2021– 0.4% and 4.0%). The Company is focusing on investing in its operations with continued investment in staffing and operations. These step costs are transitory and required to support future acquisitions which will provide greater economies of scale, and return EBITDA to historical percentages as we are starting to see in the Q3 results.

KOVO HEALTHTECH CORPORATION

MANAGEMENT'S DISCUSSION & ANALYSIS

(All amounts expressed in thousands of US dollars, except share or per share amounts)

OUTLOOK

Following the successful completion of the Reverse Takeover of Medworx Inc. and the listing of Kovo shares on the TSXV on June 4, 2021, the Company has been aggressively pursuing its accretive growth strategy with two acquisitions over the past six months. Collectively, these transactions position the Company to drive revenue and EBITDA growth through a combination of organic sales growth and a strategy to roll up through acquisition of additional RCM businesses.

The dynamics of the US healthcare market are critical to understanding the value of the roll up strategy. Healthcare billing in the United States is federally mandated and the two key tenets of the billing infrastructure are the Quality Payment Program (“QPP”) and the Merit-based Incentive Payment System (“MIPS”). The QPP was created by the *Medicare Access and CHIP Reauthorization Act of 2015* (“MACRA”). The QPP transforms the Medicare physician payment system from one focused on volume to one focused on value. MIPS establishes the value-based payment program for healthcare practitioners, under which billings will be made going forward. The federal government’s Center for Medicare and Medicaid Services is the proponent of these two programs and has taken a strong stance with respect to these programs, requiring increased reporting obligations for participants. Management believes this will establish the value-based payment program as the predominant revenue model for all payers and providers in the next few years. Hence, the focus on RCM software and service solutions that enable financial risk and quality management at an enterprise level will be intensified. We believe this will also lead to larger healthcare systems consolidating their overall spend on core RCM solutions to a fewer number of incumbent or prominent market participants fueling a market consolidation.

Patients’ direct contribution to total provider revenue is increasing rapidly, allowing payers and providers to invest in self-service tools that improve patient’s overall engagement and financial experience by helping them schedule appointments, verify benefit eligibility, estimate financial responsibility, and facilitate secured payment online, from anywhere.

More patients are also deferring payment on their healthcare bills resulting in cash flow issues and solvency concerns for providers. Hence, back-end RCM processes continue to be important. RCM service providers that specialize in medical billing, bad debt collection and complex contract management will be working more closely with both payers (to provide input on sustainable premiums) and providers (to manage accounts receivable).

Internal research by the Company pursuant to our roll-up business model identifies more than 30,000 RCM vendors in the US market. Of those, more than 15,000 have revenues of under \$10 million. We believe this work confirms the presence of a large prospecting pool for acquisitions at a size suitable to our capital capabilities.

This MD&A highlights the strong growth of the Company’s business from an ARR in September 2021 of approximately \$5,700 to an ARR in September 2022 of approximately \$10,300 an 81% increase, reflecting the combination of organic growth with the accretive strategy including the most recent Midwest and Cvikota acquisitions. The rapid ARR and earnings growth with the Midwest and Cvikota acquisitions demonstrates the growth potential of the business model. The Company intends to continue aggressively pursuing new acquisitions and additional organic growth going forward. As seen in the prior year, modest lags in cash flow generation are anticipated with new acquisitions but are mitigated over time by gaining efficiencies, such as reducing payroll costs as a percentage of revenue, a key performance indicator for the business.

There are two negative trends currently impacting the Company’s financial performance. First, government mandated and recommended mitigations for COVID case numbers tend to reduce patient visits and therefore patient billing revenues, negatively impacting our RCM revenue stream. The impacts of COVID negatively impacted revenue for the first half of the 2021 but have turned in the second half of the year with the Company seeing top-line growth among key customers in Q4 2021 and continuing through 2022. The Company has also been able to increase operational efficiency in processing services over the periods, which is reflected by the improvement of payroll as a percentage of revenue ratio, improving from 94% in Q2 2021 to 69% in Q3 2021 to 60% in Q4 2021, rising slightly to 70% as a result of an investment in head office staff in Q1 2022,

KOVO HEALTHTECH CORPORATION
MANAGEMENT'S DISCUSSION & ANALYSIS

(All amounts expressed in thousands of US dollars, except share or per share amounts)

reducing to 64% in Q2 2022 and increasing to 73% in Q3 2022. The Q3 2022 increase was the result of timing of sales commissions paid to the sales team coupled with unfavorable market conditions driving higher public company costs for IR and administrative staff while sourcing new acquisitions and continues to execute strategy. The Company expects to return to expected ranges subsequent to successful acquisitions.

Second, onboarding new acquisitions requires time to fully bring the new operations into line with our long-term earnings performance. This process is common when acquiring companies during which working capital is required to invest into the acquisitions, best practices are instilled and functionality is streamlined from a corporate level. The management team has been able to, as shown by the positive working capital, and expects to continuously mitigate this over time as the businesses are integrated and generate consistent positive cash flows once streamlined.

SELECTED QUARTERLY INFORMATION

	2020		2021				2022		
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	
Revenue	\$ 838	\$ 820	\$ 931	\$ 1,654	\$ 2,499	\$ 2,837	\$ 2,609	\$ 2,520	
Income/(Loss) from Ops	\$ (474)	\$ (347)	\$ (548)	\$ (337)	\$ (27)	\$ (207)	\$ (94)	\$ (331)	
Weighted Avg Shares	26,603,000	30,779,240	31,445,350	33,001,171	32,637,284	38,242,076	39,296,910	39,809,667	
Weighted Avg Diluted Shares	32,319,000	30,779,240	31,445,350	33,001,171	32,637,284	38,242,076	39,296,910	39,809,667	
Per Share Basis	\$ (0.00)	\$ (0.01)	\$ (0.02)	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.01)	
Per Diluted Share Basis	\$ (0.00)	\$ (0.01)	\$ (0.02)	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.01)	
Total Income/(Loss)	\$ (469)	\$ (367)	\$ (525)	\$ (476)	\$ (1,333)	\$ (332)	\$ (217)	\$ 221	
Weighted Avg Shares	26,603,000	30,779,240	31,445,350	33,001,171	32,637,284	38,242,076	39,296,910	39,809,667	
Weighted Avg Diluted Shares	32,319,000	30,779,240	31,445,350	33,001,171	32,637,284	38,242,076	39,296,910	39,809,667	
Per Share Basis	\$ (0.00)	\$ (0.012)	\$ (0.017)	\$ (0.01)	\$ (0.04)	\$ (0.01)	\$ (0.01)	\$ 0.01	
Per Diluted Share Basis	\$ (0.00)	\$ (0.012)	\$ (0.017)	\$ (0.01)	\$ (0.04)	\$ (0.01)	\$ (0.01)	\$ 0.01	
EBITDA	\$ (128)	\$ (176)	\$ (330)	\$ (221)	\$ (1,034)	\$ 14	\$ 136	\$ 568	
ADJUSTED EBITDA	\$ 50	\$ 70	\$ 60	\$ 7	\$ 105	\$ 46	\$ 266	\$ 5	

Three months ended September 2022 revenue decreased to \$2,520 from \$2,609 for the three months ended June 30, 2022, driven the timing of payment processing as the number of claims processed are slower during the summer months. The Company continues to seek and acquire new customers and has an extensive pipeline in place that once realized will exceed the revenues lost and drive top line quarter over quarter growth. Three months ended September 2022 revenues of \$2,520 increased by 52% versus the three months ended September 2021 revenues of \$1,654. These figures include results of Cvikota which was acquired on November 1, 2021 as well as Midwest, which was acquired on July 1, 2021.

Excluding Midwest and Cvikota's revenue, for the nine months ended September 30, 2022 the Company posted organic growth of \$1,864 year-over-year, an increase of approximately 63%, driven primarily by two large new client contracts signed in Q2 2021, one of which is expected to continue to benefit the Company's cash flow in 2022.

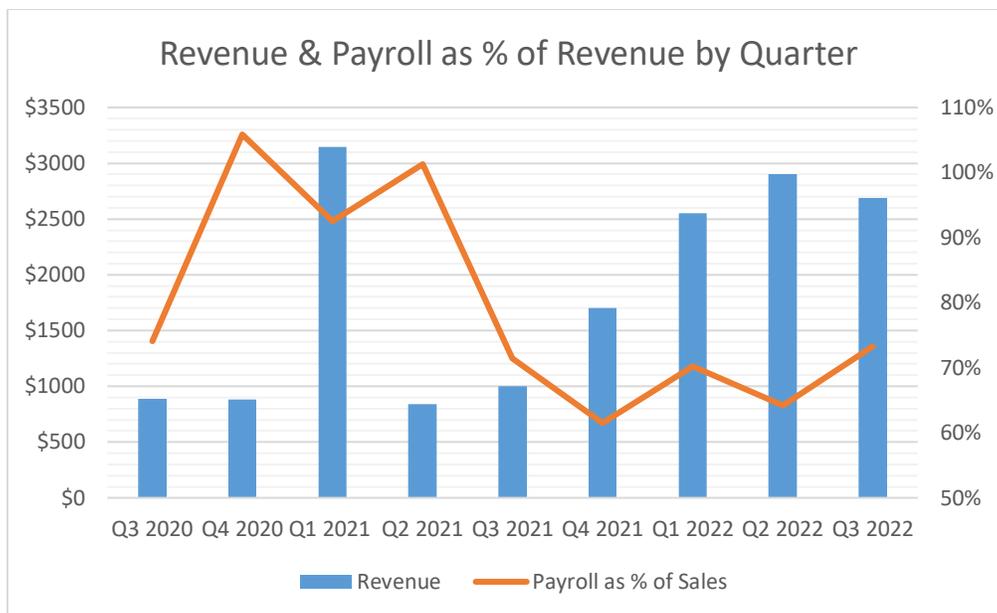
Coinciding with its rapid growth, operating costs have increased partly due to a higher overall headcount in personnel. Typically, to leverage synergies, the Company reduces payroll costs post-acquisition. However, given the Company's rapid growth, the growing US labour shortage — and the fact that staffing costs were reimbursed by a \$600 forgivable federal PPP loan — the Company elected to maintain a larger staff. Additional administrative staffing was also required related to the June 4, 2021 transition to a public Company. As noted in the condensed consolidated interim financial statements, the loan was forgiven on July 6, 2022.

KOVO HEALTHTECH CORPORATION

MANAGEMENT'S DISCUSSION & ANALYSIS

(All amounts expressed in thousands of US dollars, except share or per share amounts)

The Company budgets for payroll relative to the sales funnel. Based on the higher investment in staffing in the first half of 2021, as sales increased in Q3 and Q4 2021 operating staff payroll expenses normalized to more historical levels. Payroll as a percentage of revenue decreased from 94% in Q2 2021 to 69% in Q3 2021 to 60% in Q4 2021, rising slightly to 70% in Q1 2022 as a result of an investment in additional head office staff, decreasing to 64% in Q2 2022 and increasing to 73% in Q3 2022. The Q3 2022 increase was the result of timing of sales commissions paid to the sales team coupled with unfavorable market conditions driving higher public company costs for IR and administrative staff while sourcing new acquisitions and continues to execute strategy. The Company expects to return to expected ranges subsequent to successful acquisitions.



As a new public company, Kovo incurred higher professional fees related to its public market filing in 2021 and ongoing public company and investor relations expenses. For the three and nine months ended September 30, 2022, public company expenses were \$125 and \$400 (For the three and nine months ended September 30, 2021 \$54 and \$239), mainly as a result of activities related to the ongoing public company expenses and investor relations. The increase in 2022 operating costs for the three and nine months ended September 30, 2022 include non-cash share-based compensation expenses of \$59 and \$225 (For the three and nine months ended September 30, 2021 \$34 and \$97) and amortization of \$179 and \$486 (For the three and nine months ended September 30, 2021 \$150 and \$384). Depreciated assets during 2022 relate to capitalized software development, capitalized computer equipment, ERP implementation fees, right of use assets and customer lists which also include the newly acquired Midwest and Cvikota.

Operating loss for the three and nine months ended September 30, 2022 totaled \$331 and \$632 (For the three and nine months ended September 30, 2021 \$330 and \$1,212). The Company has been able to leverage its operational efficiency, by means of lowering general and administrative expenses in 2022 to decrease its operating losses which is expected to continue moving forward. Interest expense for the three and nine months ended September 30, 2022 totaled \$168 and \$560 (For the three and nine months ended September 30, 2021 \$105 and \$257), reflecting interest paid and/or accrued on debt and accretion on leases.

Kovo's total assets increased to \$7,397 as of September 30, 2022 compared to \$7,334 at December 31, 2021. Cash-on-hand increased to \$1,130, Intangible assets and rights of use assets decreased to \$2,878 and \$340 in Q3 2022, driven by amortization booked in the quarter and the cancellation of the RPM and a Cvikota lease. Goodwill remained unchanged at \$2,371 and is related to the purchase of RPM Medical Billing (May 2021), Midwest (July 2021) and Cvikota (November 2021). The

KOVO HEALTHTECH CORPORATION

MANAGEMENT'S DISCUSSION & ANALYSIS

(All amounts expressed in thousands of US dollars, except share or per share amounts)

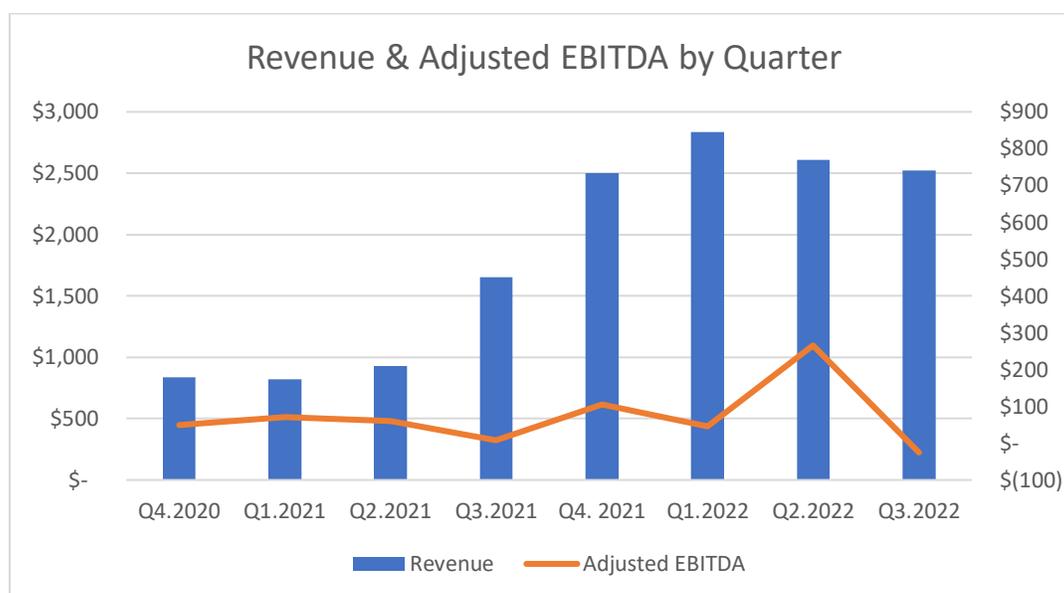
Company believes the value of the assets is reasonable since RPM, Midwest and Cvikota's sales volumes meeting or exceeding forecast.

Total non-current liabilities increased to \$5,027 as of September 30, 2022 from \$4,035 on December 31, 2021. The increase is driven by the additional EIDL funding of \$1,850 received in Q2 2022 offset by a decrease in lease liabilities due to the cancellation of the Cvikota and RPM lease.

Other Income

During the three and nine months ended September 30, 2022 Other Income was \$721 and \$865 (for the three and nine months ended September 30, 2021 \$45 and \$543). Other income consists of credentialing/ hourly service income, gains on loan forgiveness and gains on lease cancellations. During the three and nine months ended September 30, 2022 the Company recognized \$600 and \$nil related to the forgiveness of the Paycheck Protection Program loan that was forgiven on July 7, 2022 which is noted in Note 7 of the unaudited condensed consolidated interim financial statements for three and nine months ended September 30, 2022. During the three and nine months ended September 30, 2022 the company also recognized a gain on lease cancellation of \$11 and \$nil related to cancellations of the Cvikota office lease in Knoxville Tennessee and the RPM lease in Reno Nevada noted in Note 8 of the unaudited condensed consolidated interim financial statements for three and nine months ended September 30, 2022. The remaining income related to credentialing/ hourly service income earned by the Company.

EBITDA and Adjusted EBITDA¹



¹ Non-GAAP measure. Earnings before interest, taxes, depreciation, and amortization ("EBITDA") and Adjusted EBITDA should not be construed as alternatives to net income/loss determined in accordance with IFRS. EBITDA and Adjusted EBITDA do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. The Company defines Adjusted EBITDA as EBITDA before goodwill or customer list impairment costs, equity and stock-based expenses, unrealized foreign exchange gains or losses, non-recurring transaction and financings costs and recurring government loans that are eligible to be 100% forgiven by government mandate. The Company believes that Adjusted EBITDA is a meaningful financial metric as it measures cash generated from operations which the Company can use to fund working capital requirements, service future interest and principal debt repayments and fund future growth initiatives on a normalized earnings basis.

KOVO HEALTHTECH CORPORATION
MANAGEMENT'S DISCUSSION & ANALYSIS

(All amounts expressed in thousands of US dollars, except share or per share amounts)

We utilize EBITDA and Adjusted EBITDA as primary financial metrics to manage performance of the business. The details of the calculation for the three and nine months ended September 2022 and 2021 are shown below to illustrate the methodology of the calculation. Primary deductions for interest and depreciation charges are shown for EBITDA and the removal of one-time non-recurring charges are shown for calculation of Adjusted EBITDA.

The Corporation highlights stable revenues for the last fifteen quarters, with a major increase post acquisition in July 1, 2021 related to the Midwest acquisition and November 1, 2021 related to the Cvikota acquisition. The RPM Billing acquisition closed in Q1 2020 on March 2, 2020 and has earned over \$9.4 million in revenue since acquisition. This has been the biggest driver of sales in 2022 and 2021. For the three and nine months ended 2022 revenue attributed to the Midwest acquisition was \$302 and \$1,200 and \$603 and \$1,943 attributed to Cvikota. The Company incurred additional operational and transitional expenses from Q1 2020 to Q1 2022 to complete the four acquisitions and going public on the TSX-V in Q2 2021. The Company anticipates experiencing accretive EBITDA margin in subsequent periods as we continue to grow revenue and create synergies from the merged operations, which we expect to see in 2022.

The Company notes Adjusted EBITDA for a more normalized context of the Company's operations excludes non-cash bearing warrant/stock option expenses, goodwill or customer list impairment costs, unrealized foreign exchange losses, any one-time settlements, deal financing expenses related to raising debt or equity and acquisition related expenses. We believe these results demonstrate prudent cost management and effective customer acquisition through both organic and accretive efforts, demonstrating successful execution of our growth strategy.

With respect to performance, the Company achieved positive EBITDA for the three and nine months ended September 30, 2022 of \$568 and \$718 (for three and nine months ended 2021 EBITDA losses of \$221 and \$727). Adjusted EBITDA for the three and nine months ended September 30, 2022 was \$5 and \$316 (for three and nine months ended 2021- \$7 and \$137). The Adjusted EBITDA shows the normalized run rate of the operations excluding several one-time charges that do not reflect the true operating run rate of the business.

	For the three months ended		For the nine months ended	
	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
	\$	\$	\$	\$
Net Loss	\$ 221	\$ (476)	\$ (328)	\$ (1,368)
Add back:				
Interest	168	105	560	257
Depreciation	179	150	486	384
Total	347	255	1,046	641
EBITDA	\$ 568	\$ (221)	\$ 718	\$ (727)
<i>EBITDA %</i>	22.5%	(13.4%)	9.0%	(21.4%)
Adjusted EBITDA				
Adjustments:				
PPP loan forgiveness, net	(602)	-	(602)	200
Non-cash equity issuances	59	34	225	97
Legal settlement	-	23	-	23
Financing Charges	-	108	-	108
Acquisition-related expenses	-	-	-	-
Gain on lease cancellation	(11)	-	(11)	-
Transaction costs	-	63	-	419
Unrealized foreign exchange (gain)/loss	(9)	-	(14)	17
Total	(563)	228	(402)	864
Adjusted EBITDA	\$ 5	\$ 7	\$ 316	\$ 137
<i>Adjusted EBITDA %</i>	0.2%	0.4%	4.0%	4.0%

KOVO HEALTHTECH CORPORATION
MANAGEMENT'S DISCUSSION & ANALYSIS

(All amounts expressed in thousands of US dollars, except share or per share amounts)

LIQUIDITY AND CAPITAL RESOURCES

	For the nine months ended	
	September 30, 2022	September 30, 2021
	(unaudited) \$	\$
OPERATING ACTIVITIES		
Net loss and comprehensive loss	\$ (328)	\$ (1,368)
Adjustments for non-cash items:		
Depreciation and amortization	486	384
Reverse takeover transaction costs	-	356
Accretion of contingent consideration	-	20
Interest expense	167	48
Loan forgiveness	(608)	-
Accretion expense on lease liabilities	38	20
Share based compensation	225	97
Net foreign exchange (gain) loss	(17)	8
Gain on lease extinguishment	(11)	-
Other Income	-	(21)
Net change in working capital:		
Accounts receivable	(10)	(51)
Other receivables	70	86
Accounts payable and accrued liabilities	(139)	173
Taxes payable	(49)	(72)
Contract liabilities	-	(7)
Net cash generated (used) in operating activities	\$ (177)	\$ (327)
INVESTING ACTIVITIES		
Additions to capitalized software costs	(183)	(122)
Additions to property plant and equipment	(78)	-
Receipts on notes receivable	5	13
Net payment for Midwest acquisition	-	50
Cash received in reverse takeover transaction	-	202
Net cash generated (used) in investing activities	\$ (256)	\$ 143
FINANCING ACTIVITIES		
Net receipts on debt	1,850	600
Net payments on debt	(785)	(614)
Net (payments to) receipts from related parties	-	(139)
Receipts of common share issuances, net	-	609
Receipts of options exercised	-	17
Receipts of warrants exercised	-	84
Lease payments	(213)	(70)
Net cash generated (used) in financing activities	\$ 852	\$ 487
Net increase in cash	419	303
Cash balance, beginning of the period	711	153
Cash balance, end of period	\$ 1,130	\$ 456

KOVO HEALTHTECH CORPORATION

MANAGEMENT'S DISCUSSION & ANALYSIS

(All amounts expressed in thousands of US dollars, except share or per share amounts)

Operating Activities

During the nine months ended September 30, 2022 the company used \$177 cash on operating activities (nine months ended September 30, 2021 used \$327) related to the net loss and comprehensive net loss, payments of tax liabilities, decreased accounts receivables and decreased accounts payable balances. Cash used in operating activities was partly offset by higher non-cash expenses, including the depreciation and amortization, share based compensation and a decrease in other receivables. For the nine months ended September 30, 2022 G&A expenses increased by \$963 versus the nine months ended September 30, 2021. This increase is driven by a \$402 increase in processing fees, \$136 increase in professional expenses and \$161 increase in public company expenses. The largest uses of cash were for payroll expenses, which increased for the nine months ended September 30, 2022 following the Midwest and Cvikota acquisitions. In addition, the Company is investing into additional professional staff and administrative staff as it scales the enterprise, thus as further accretive acquisitions are completed, these costs will diminish as a percentage of revenue as economies of scale are achieved. The Company expects to return to expected ranges subsequent to successful acquisitions.

Investing Activities

During the nine months ended September 30, 2022, net cash used by investing activities amounted to \$256 (for the nine months ended September 30, 2021 cash generated by investing was \$143). Cash used by investing activities during the nine months ended September 30, 2022 related to additions to capitalized software costs of \$183 (for the nine months ended September 30, 2021- \$122) and capitalized computer and ERP implementation fees of \$78 (for the nine months ended September 30, 2021- \$nil). The Company also received cash receipts on notes receivable for the nine months ended September 30, 2022 of \$5 (for the nine months ended September 30, 2021- \$13).

Financing Activities

During the nine months ended September 30, 2022, net cash generated for financing activities totaled \$852 (for the nine months ended September 30, 2021- generated \$487) of which \$1,850 related to the receipt of an additional EIDL loan, offset by payments on debentures and payments on leases. No other new financing activities occurred during the quarter.

Liquidity and Capital Resources

The Company's future capital requirements will depend on many factors, including, among others, its ability to earn cash flow from operations. Should the Company wish to pursue current and future business opportunities, additional funding will be required. If additional funds are raised through the issuance of equity securities, the percentage ownership of current shareholders will be reduced. No assurance can be given that additional financing will be available, or that it can be obtained on terms acceptable to the Company and its shareholders. If adequate funds are not available, the Company may not be able to meet its contractual requirements.

The Company maintains sufficient liquidity and manages it appropriately to meet its current liabilities. The accounts receivable of the business are typically collected in a 30-day period, with limited collectability risk. The Company uses cash flow from operations, short term debt and long-term debt to fund operations. The Company manages its working capital needs and has sourced financing as needed. The Company's working capital can be impacted as noted in the Risks section by various factors, including COVID-19. At this time the Company can generate sufficient cash from operating cash flows through prudent management of costs, particularly payroll costs relative to customer billings which are tracked monthly on a customer-by-customer basis. As the Company prepared for its filing to be publicly listed on the Toronto Stock Exchange and in connection with the preparation of the Prospectus, it has incurred significant professional fees in 2021. These listing related expenses are non-recurring and the Company will incur typical public company fees going forward. The Company has accessed debt and equity financing sources as appropriate to meet its working capital needs as noted in the statement of cash flows. See "Contractual Obligations" for further details on payments required over the next several years.

In regard to capital resources, the Company continuously invests capital expenditures into its software platform. The capital expenditures are limited to software development staff and software consultants. These expenses for the three and nine months ended September 30, 2022 totaled \$102 and \$183 (for the three and nine months ended September 30, 2021 - \$41, \$122). The software development related payroll expenses are committed; however, the Company could reduce staffing if necessary to meet its working capital needs while ensuring no loss in services to its customers. The Company does not have any other significant capital expenditure commitments. The Company sourced financing through debt, equity and government loans as needed to meet its working capital requirements. The Company has also raised equity when appropriate and as required to support the growth of its operations.

KOVO HEALTHTECH CORPORATION

MANAGEMENT'S DISCUSSION & ANALYSIS

(All amounts expressed in thousands of US dollars, except share or per share amounts)

Debt

As per Note 7 in the September 30, 2022 unaudited condensed consolidated interim financial statements, the chart below highlights the short and long term principle debt outstanding as well as the weighted average interest rates associated with each.

Short Term Debt	Interest Rate	Principle Balance 9/30/2022
Paypal Working Capital Loan	25.40%	\$ 67
Short Term Debt/ Weighted Average Interest Rate	25.40%	\$ 67

Long Term Debt	Interest Rate	Principle Balance 9/30/2022
EIDL Loan	3.75%	\$ 2,045
Flow Capital Acquisition Line	16.00%	\$ 1,222
Promissory Note to Curt Cvikota	5.00%	\$ 666
Tech-Time Debts	7.50%	\$ 204
Hingwala Convertible Debt	25.00%	\$ 212
Small Business Administration Loan 2	7.50%	\$ 196
Small Business Administration Loan 1	7.50%	\$ 175
Funding Circle Loan	15.82%	\$ 53
Small Business Administration Loan 3	7.50%	\$ 49
Long Term Debt/ Weighted Average Interest Rate	8.58%	\$ 4,822

Total Debt/ Weighted Average Interest Rate	8.81%	\$ 4,889
Weighted Average Interest Rate Increase for 100bp Increase in Fed Rate	0.13%	

Use of Proceeds

The Company raised debt and equity to complete its two acquisitions in 2021 and for general working capital purposes as noted above in financing activities. In 2021, the use of proceeds to date has been for the acquisition of Midwest, Cvikota, corporate management, completion of the public listing of the Company's shares, and related negative cash flows in part related to the COVID pandemic.

Accounts Receivable

As at September 30, 2022, accounts receivable was \$165 (December 31, 2021 - \$155). The Company evaluates credit losses on a regular basis based on the aging and collectability of its receivables. As at September 30, 2022, an allowance for doubtful accounts of \$15 (December 31, 2021 - \$nil) was recorded.

Right of Use Assets

See Note 5 of the Company's unaudited condensed consolidated financial statements for details of movement in the Company's right of use assets during nine months ended September 30, 2022. Also, see Note 8 of the unaudited condensed consolidated financial statements for further details. The three leases remaining related to the right of use assets include three office leases, one for Midwest and two for Cvikota.

Goodwill and Intangible Assets

Goodwill represents the excess for the price paid for the acquisition of an entity over the fair value of the net identifiable tangible and intangible assets and liabilities acquired. The Company's goodwill balance as of September 30, 2022 is attributed to the RPM, Midwest and Cvikota acquisitions.

Intangible assets include software development costs capitalized over a three-year useful life. In addition, the Company has customer lists acquired from the RPM, Midwest and Cvikota transaction which it amortizes over a ten to fifteen-year useful life.

KOVO HEALTHTECH CORPORATION

MANAGEMENT'S DISCUSSION & ANALYSIS

(All amounts expressed in thousands of US dollars, except share or per share amounts)

Contractual Obligations

The following table sets out the Company's contractual obligations (representing undiscounted contractual cash flows) of financial liabilities and commitments:

	12 months	1 to 2 years	3 to 5 years	Thereafter	Total
	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	857	-	-	-	857
Debts	782	1,047	2,084	2,908	6,821
Lease liabilities	224	149	12	-	385
	\$ 1,863	\$ 1,196	\$ 2,096	\$ 2,908	\$ 8,063

The Company has operating leases for its offices in Omaha Nebraska, Eau Claire Wisconsin and La Crosse Wisconsin. The lease in Omaha ends on October 31, 2023. The lease in Eau Claire and the lease in La Crosse ends on October 31, 2024. Another lease, a Data center lease, ended on January 31, 2021, and the Company resides on a month-to-month basis subsequently. Finally, an office lease in Billings, Montana ends on July 31, 2024. The Company entered into an investor relations agreement in June 2021 for an initial six-month term at \$154, with automatic renewals for successive three-month periods thereafter, subject to terms of written termination by the Company. On October 18, 2021 the Company updated the agreement for a twelve-month term commencing December 5, 2021 at a monthly fee of \$17 per month with automatic renewals for successive three-month periods thereafter, subject to terms of written termination by the Company. On November 25, 2021, the Company entered into a second investor relations agreement at \$8 per month for a six-month period with automatic renewals for successive one-month periods thereafter. On June 10, 2022, the Company entered an insurance policy for twelve-month period for an aggregate amount of \$188, or approximately \$16 per month.

The debt obligations are several loans to various parties, including the US Small Business Administration. and the Company continues to make regular monthly payments as required. The Company manages its working capital needs and has sourced financing as needed. The Company's working capital can be impacted as noted in the *Risks* section by various factors, including COVID-19. At this time the Company can generate sufficient cash from operating cash flows through prudent management of costs, particularly payroll costs relative to customer billings which are tracked monthly on a customer-by-customer basis.

Key Management Compensation

Short-term employee benefits provided by the Company to key management personnel include salaries, directors' fees, statutory benefit contributions, paid annual vacation and paid sick leave as well as non-monetary benefits such as medical care. In addition to short-term employee benefits, the Company may also issue shares, RSUs or options as part of the stock option plan. Key management personnel are those persons having the authority and responsibility for planning, directing and controlling activities of the Company, directly or indirectly.

For the three and nine months ended September 30, 2022, key management personnel compensation comprising of salaries and equity compensation totaled \$313 and \$1,097, respectively (three and nine months ended September 30, 2021 - \$263 and \$713, respectively).

KOVO HEALTHTECH CORPORATION

MANAGEMENT'S DISCUSSION & ANALYSIS

(All amounts expressed in thousands of US dollars, except share or per share amounts)

SUBSEQUENT EVENTS

Subsequent to the six months ended September 30, 2022 but prior to the release of these financial statements, the following event occurred:

On October 31, 2022 the Company terminated an office lease in Omaha, Nebraska, \$7 per month, and replaced with a smaller office in Omaha Nebraska, \$2 per month, yielding a savings of \$5 per month. The majority of staff will be working from home, as is customary for a majority of Kovo's operations since its inception.

Reconciliation of Non-IFRS Measures

This MD&A makes reference to certain non-IFRS measures. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of the Company's results of operations from management's perspective. The Company's definitions of non-IFRS measures used in this MD&A may not be the same as the definitions for such measures used by other companies in their reporting. Non-IFRS measures have limitations as analytical tools and should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS. The Company uses non-IFRS financial measures, including "EBITDA", "Adjusted EBITDA" and "Adjusted EBITDA Margin" to provide investors with supplemental measures of its operating performance and to eliminate items that have less bearing on operating performance or operating conditions and thus highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS financial measures. Specifically, the Company believes that Adjusted EBITDA, when viewed with the Company's results under IFRS and the accompanying reconciliations, provides useful information about the Company's business without regard to potential distortions. By eliminating potential differences in results of operations between periods caused by factors such as depreciation and amortization methods and restructuring, impairment and other charges, the Company believes that Adjusted EBITDA can provide a useful additional basis for comparing the current performance of the underlying operations being evaluated. The Company believes that securities analysts, investors and other interested parties frequently use non-IFRS financial measures in the evaluation of issuers. The Company's management also uses non-IFRS financial measures in order to facilitate operating performance comparisons from period to period.

"EBITDA" means net income (loss) before amortization and depreciation expenses, finance and interest costs, and provision for income taxes.

"Adjusted EBITDA" adjusts EBITDA for goodwill or customer list impairment costs, equity and stock-based expenses, unrealized foreign exchange gains or losses, non-recurring transaction and financings costs and recurring government loans that are eligible to be 100% forgiven by government mandate ("PPP Loans").

The term Annual Recurring Revenue ("ARR") is a non-IFRS measure and refers to multiplying the monthly revenue for a current month. ARR is a metric typically used by recurring revenue companies to communicate run rate at a specific moment in time

KOVO HEALTHTECH CORPORATION

MANAGEMENT'S DISCUSSION & ANALYSIS

(All amounts expressed in thousands of US dollars, except share or per share amounts)

RISKS AND UNCERTAINTIES

Following Completion of the Listing, the Corporation may Issue Additional Equity Securities

Following completion of the Listing, the Corporation may issue equity securities to finance its activities, including to finance acquisitions. If the Corporation were to issue Common Shares, existing holders of such shares may experience dilution in the Corporation. Moreover, if the Corporation's intention to issue additional equity securities becomes publicly known, the Corporation's share price may be materially adversely affected.

Limited Operating History

While the Corporation's wholly owned subsidiary MedWorx has a history of profitable operation, there can be no assurance given that future operating results will reflect historical results. The likelihood of success of the Corporation must be considered in light of the problems, expenses, difficulties, complication, and delays frequently encountered in connection with the establishment of any business. The Corporation will have limited financial resources and there is no assurance that additional funding will be available to it for further operations or to fulfill its obligations under applicable agreements. There is no assurance that the Corporation will be able to generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans. The Company also notes that unforeseen events can have a negative impact on cash balances.

Uncertainty of Additional Funding

The Corporation may be dependent on third party financing, whether through debt, equity, or other means. There is no assurance that it will be successful in obtaining required financing in the future or that such financing will be available on terms acceptable to the Corporation. Changes in the Corporation's primary United States healthcare market, a claim against the Corporation, a significant event disrupting the Corporation's business, or other factors may make it difficult or impossible to obtain financing through debt, equity, or other means on favorable terms, or at all. In addition, any future financing may also be dilutive to existing shareholders of the Corporation.

Competitive Conditions

The Corporation will actively compete for acquisition of RCM and other target businesses and will compete for new customers within acquired businesses. Many of the Corporation's competitors may have significantly greater financial resources than the Corporation. The Corporation's competitors may include major healthcare industry Corporations.

Reliance Upon Management

The Corporation will be dependent upon the continued support and involvement of its principles and management. Should the Corporation lose the services of one or more of the principals or management, the ability of the Corporation to achieve its objectives could be adversely affected.

Employees

Our success will depend on the combined skills and efforts of our management and employees. We currently have 109 US based employees, of which we have entered into executive employment contracts with Greg Noble (CEO), Jeana Noble (CCO), and Jon Marshall (CMO). We rely on fractional contractors for some key positions, specifically Inder Saini (CFO), has a vendor contract.

There can be no assurance that we will be able to recruit and retain the employees we will need in order to successfully execute our business plan. If we are unable to recruit and retain appropriate personnel, our ability to successfully execute our business plan will be severely constrained. In addition, the loss of any key employees, including any of the members of our management team, could have a material adverse effect on our business, financial condition and operating results. There can be no assurance that any persons who may be employed by us will remain with us.

Conflicts of Interest

Members of the Board of the Corporation may become directors of other reporting companies or have significant shareholdings in other healthcare industry companies and, to the extent that such other companies may participate in ventures in which the Corporation may participate, the Board may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. The Corporation and its Board will attempt to minimize such conflicts. In the event that such a conflict of interest arises at a meeting of the Board, a director who has such a conflict will abstain from voting for or against the approval

KOVO HEALTHTECH CORPORATION

MANAGEMENT'S DISCUSSION & ANALYSIS

(All amounts expressed in thousands of US dollars, except share or per share amounts)

of such participation or such terms. In appropriate cases the Corporation will establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict. Conflicts, if any, will be subject to the procedures and remedies as provided under the BCBCA. The provisions of the BCBCA require a director or officer of a Corporation who has a material interest in a contract or Listing of the Corporation, or a director or officer of a Corporation who is a director or officer of or has a material interest in a person who has a material interest in a contract or Listing with the Corporation, to disclose his or her interest and, in the case of directors, to refrain from voting on any matter in respect of such contract unless permitted under the BCBCA, as the case may be. Other than as indicated, the Corporation has no other procedures or mechanisms to deal with conflicts of interest.

Permits and Licenses

The operations of the Corporation will require licenses and permits from various governmental and nongovernmental authorities. The Corporation will obtain all necessary licenses and permits required to carry on with activities which it proposes to conduct under applicable laws and regulations. However, such licenses and permits are subject to changes in regulations and in various operating circumstances. There can be no assurance that the Corporation will be able to obtain all necessary licenses and permits required to carry out its business.

Political Regulatory Risks

Any changes in government policy may result in changes to laws affecting the healthcare industry, RCM, PM or EHR technology, monetary policies, taxation, rates of exchange, environmental regulations, labour relations, and return of capital. This may affect both the Corporation's ability to undertake its business. The possibility that future governments may adopt substantially different policies, which might extend to expropriation of technology utilized in the Corporation's business, would have a material adverse impact on the Corporation's financial performance.

Registration with the SEC

We believe since completion of the listing on the Toronto Venture Stock Exchange we qualify as a Foreign Private Issuer. If, however, as of the last business day of our second fiscal quarter for any year, more than 50% of our outstanding voting securities (as defined in the U.S. Securities Act) are directly or indirectly held of record by residents of the United States and we do not qualify for certain other exemptions related to the location of assets and management of the business, we will no longer meet the definition of a Foreign Private Issuer under the rules of the SEC. Losing Foreign Private Issuer status would require us to file annual, quarterly and current reports and make other filings under the 1934 Act and the U.S. Securities Act in accordance with SEC requirements at the beginning of the fiscal year following the loss of Foreign Private Issuer status. If we fail to qualify for Foreign Private Issuer status, we will remain unqualified unless we meet the test as of the last business day of our second fiscal quarter in the applicable fiscal year. This change in status could have a significant effect on us as it would significantly complicate the raising of capital through the offer and sales of securities and reporting requirements, resulting in increased audit, legal and administration costs, which could significantly affect our profitability.

Volatility of Share Price

In recent years, the securities markets in the United States and Canada, and the Exchange in particular, have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations in price that have not necessarily been related to the operating performance, underlying asset values, or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. It may be anticipated that any quoted market for the Corporation's shares will be subject to market trends and conditions generally, notwithstanding any potential success of the Corporation in creating revenues, cash flows, or earnings.

Liquidity

The Corporation cannot predict at what prices Common Shares will trade upon completion of the Listing, and there can be no assurance that an active trading market in Common Shares will develop or be sustained. Acceptance of the Exchange has not yet been obtained. There is a significant liquidity risk associated with an investment in Common Shares.

Dividends

At the present time, it is unlikely the Corporation's shareholders will receive a dividend on Common Shares.

KOVO HEALTHTECH CORPORATION

MANAGEMENT'S DISCUSSION & ANALYSIS

(All amounts expressed in thousands of US dollars, except share or per share amounts)

Intellectual Property Risk

The Corporation owns its Intellectual Property ("IP"). There remains a risk that our IP could be in conflict with another IP owned by a third party. We have acquired some of our IP from third parties, and that ownership of IP could be challenged in the future if it is very similar to another third party's IP. In addition, other companies could file for patents that would limit our business strategy for expanding our software revenues.

Going Concern

These condensed consolidated interim financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the normal course of operations. These condensed consolidated interim financial statements do not reflect the adjustments to carrying values of assets and liabilities that would be necessary should the going concern assumption prove to be inappropriate, and these adjustments could be material.

During the nine months ended September 30, 2022, the Company generated a loss from operations of \$632 (nine months ended September 30, 2021— loss of \$1,212), and a net loss of \$328 (nine months ended September 30, 2021— net loss of \$1,368). As at September 30, 2022, the Company had a working capital deficit of \$225 (December 31, 2021 – \$2,271) and long-term debts of \$4,364 (December 31, 2021 - \$3,372). As of September 30, 2022, the Company had a net-asset position of \$588 (December 31, 2021 – net-liability position of \$170). These factors may form a material uncertainty that may raise significant doubt regarding the Company's ability to continue as a going concern. Management intends on financing its future development activities and operations from the sale of equity and debt securities. The Company's ability to continue as a going concern is dependent upon the Company's ability to raise sufficient financing or generate sufficient future cash flows from profitable business activities.

COVID-19 Pandemic

On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 a pandemic. Since the outbreak of COVID-19, the Corporation has focused its efforts on safeguarding the health and well-being of its employees, consultants, and community members. To help slow the spread of COVID-19, the Corporation's employees have been working remotely, and abiding by local and national guidance put in place in Canada and the United States, related to social distancing and restrictions on travel outside of the home. The Corporation has and will continue to abide by the protocols within Canada and the United States regarding the performance of work activities.

The duration and the eventual impact of the COVID-19 pandemic remains unknown. In particular, it is not possible to reliably estimate the length and severity of these developments and therefore the impact on the financial results and condition of the Corporation is subject to considerable risk uncertainty. To date, a number of businesses have suspended or scaled back their operations and development as cases of COVID-19 have been confirmed, for precautionary purposes or as governments have declared a state of emergency or taken other actions. In the event that the operations or development of the Corporation are suspended or scaled back, or if the Corporation's customer's operations are disrupted, such events may have a material adverse effect on the Corporation. The Corporation may also experience delays in operation of its slower administrative processes and response times for claims caused by the COVID-19 pandemic and the related restrictions. The breadth of the impact of the COVID-19 pandemic on investors, businesses, the global economy and financial and commodity markets may also have a material adverse effect on the Corporation.

KOVO HEALTHTECH CORPORATION

MANAGEMENT'S DISCUSSION & ANALYSIS

(All amounts expressed in thousands of US dollars, except share or per share amounts)

FORWARD-LOOKING STATEMENTS

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as “forward-looking statements”). These statements relate to future events or the Corporation’s future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “scheduled”, “estimates”, “continues”, “forecasts”, “projects”, “predicts”, “intends”, “anticipates” or “believes”, or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

Inherent in forward-looking statements are risks, uncertainties, and other factors beyond the Corporation’s ability to predict or control. For a complete list of the factors that could affect the Corporation, please make reference to those risk factors referenced in *Risks and Uncertainties*. Readers are cautioned that such risk factors, uncertainties and other factors are not exhaustive. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement. Specifically, this MD&A includes, but is not limited to, forward-looking statements regarding: the Corporation’s ability to meet its working capital needs at the current level for the next twelve-month period; management’s outlook regarding future trends; sensitivity analysis on financial instruments, which may vary from amounts disclosed; and general business and economic conditions.

All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Corporation undertakes no obligation to update publicly, or otherwise revise, any forward-looking statements, whether as a result of new information or future events or otherwise, except as may be required by law. If the Corporation does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.