

VITALHUB CORP.

("Vitalhub" or the "Company")

ANNUAL INFORMATION FORM
Year ended December 31, 2022

March 23, 2023

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1. **Forward-Looking Information**

This Annual Information Form ("AIF") may contain forward-looking information that involves material assumptions and known and unknown risks and uncertainties, certain of which are beyond the Company's control. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Such assumptions, risks and uncertainties include those risk factors more fully described herein.

The Company's performance could differ materially from those expressed in, or implied by, this forward-looking information and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if they do so, what benefits the Company will derive therefrom. The forward-looking information is made as of the date of this AIF and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking information, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

2. Corporate Structure

Name, Address and Incorporation

The name of the company is Vitalhub Corp. The Company was incorporated under the *Business Corporations Act* (Ontario) on February 24, 2010 and commenced operations at that time. The Company's registered and principal business office is 480 University Avenue Suite 1001 Toronto, Ontario M5G 1V2.

Intercorporate Relationships

The following chart represents the inter-corporate relationships of the Company and its subsidiaries.

Subsidiary	Percentage of votes attaching to all voting securities of the subsidiary beneficially owned, or controlled or directed, directly or indirectly, by the Company	Percentage of each class of restricted securities of the subsidiary beneficially owned, or controlled or directed, directly or indirectly, by the Company	Jurisdiction of incorporation
Vitalhub (PVT) Ltd.	100	N/A	Sri Lanka
H.I.Next LLC	100	N/A	Maryland, United States
Vitalhub UK Limited ⁽¹⁾	100	N/A	England and Wales
S12 Solutions Ltd.	100	N/A	England and Wales
Hicom Technology Limited	100	N/A	England and Wales
Vitalhub Australia PTY Ltd	100	N/A	Victoria, Australia
MyPathway Solutions Limited	100	N/A	England and Wales
QWAD Community Technologies Pty Ltd	100	N/A	South Australia
Coyote Software Corporation	100	N/A	Ontario, Canada

⁽¹⁾ Vitalhub UK Limited was formed pursuant to the amalgamation of Intouch with Health Ltd., Transforming Systems Ltd., Alamac Limited, Beautiful Information Limited and the OakGroup (UK) Limited, all of which were previous wholly-owned subsidiary companies of the Company.

3. General Development of the Business

The Company develops and supports mission-critical healthcare information systems in the mental health, long term care, community health service, home health and hospital sectors. The technologies include mobile, patient flow, web-based assessment and electronic healthcare record solutions. In 2016, Vitalhub Corp., a private company, transitioned to become a public company by closing a qualifying transaction and completing an initial public offering. The Company is incorporated and domiciled in Canada, with its shares traded on the Toronto Stock Exchange under the symbol "VHI".

The Company has a two-pronged approach to growth, targeting organic growth opportunities within its product suite, and pursuing an aggressive M&A strategy. Since 2020, the Company has completed ten acquisitions as follows:

- Intouch with Health Ltd., a UK patient flow management solutions company;
- Transforming Systems Ltd., a UK-based real time access to information company operating in the health and social services sector;
- S12 Solutions Ltd., a UK-based company that helps mental health professionals efficiently complete Mental Health Act 1983 processes;
- Jayex Healthcare Limited, a leading UK and Australian e-health provider of integrated Software-as-a-Service ("SaaS") healthcare services delivery platforms;
- Alamac Limited, a UK-based company that provides technological and advisory solutions that assist healthcare organizations across the NHS;
- Beautiful Information Limited, a UK-based company that offers unique real-time information to NHS trusts to help them plan and resource clinical services to meet hourly fluctuations in patient flow;

- Hicom Technology Limited, a UK-based company that develops software that automates healthcare and business processes;
- QWAD Community Technologies Pty Ltd, (“**Community Data Solutions**”), an Australian based company, offering an online case management system and supporting products;
- Advanced Digital Innovation (UK) Limited, with the product widely known as MyPathway. A digital health platform which is used to improve patient interactions during treatment; and,
- Coyote Software Corporation, a Canadian based company that specializes in tailored software solutions that streamline the workflows of health and social service organizations.

Vitalhub has nine wholly owned subsidiaries: Vitalhub PVT Ltd. (“**Vitalhub Sri Lanka**”), HINext LLC (“**HI Next**”), Vitalhub UK Limited (“**Vitalhub UK**”), S12 Solutions Ltd. (“**S12**”), Vitalhub Australia PTY Ltd (“**Vitalhub Australia**”), Hicom Technology Limited (“**Hicom**”), MyPathway Solutions Limited (“**MyPathway**”), Community Data Solutions (“**Community Data**”), and Coyote Software Corporation (“**Coyote**”).

On January 2, 2020, the Company completed the consolidation of its share capital on a 10 for 1 basis (the “**Consolidation**”), consolidating its common shares to 17,101,246.

On March 17, 2020, the Company completed a bought deal offering pursuant to which 8,506,300 common shares in the capital of Vitalhub were issued at \$1.80 per common share for total gross proceeds of \$15,311,340.

The Company completed two acquisitions in the third quarter of 2020. On August 20, 2020, all of the issued and outstanding shares of Intouch with Health Ltd., a patient flow management company, were purchased for a purchase price of approximately £3,850,000 in cash. On September 9, 2020 all of the issued and outstanding shares of Transforming Systems Ltd., a real time access to information company operating in the health and social services sector, were acquired for a purchase price of £5,951,820, comprised of a £1,900,000 issuance of common shares in the capital of the Company and a cash payment of £4,051,820, of which £300,000 was entered into for customary post-closing adjustments. Common shares issued pursuant to this acquisition were issued at \$2.11 per common share, resulting in a total of 1,566,827 common shares issued.

In September 2020, the Company completed a non-brokered private placement of 1,000,000 common shares at a price per share of \$2.20 for total gross proceeds to Vitalhub of \$2,200,000. The use of proceeds from this offering is intended to be for future acquisition purposes that advance the Company’s mergers and acquisitions strategy.

On November 26, 2020, the Company completed a bought deal offering pursuant to which 5,860,775 common shares in the capital of Vitalhub were issued at \$2.90 per common share for total gross proceeds of \$16,996,248.

On April 19, 2021, the Company acquired S12 Solutions Ltd., a U.K.-based company with a digital platform used by mental health professionals to connect to certain section 12 doctors for Mental Health Act 1983 assessments.

On July 2, 2021, the Company acquired Alamac Limited, a UK-based company that provides technological and advisory solutions that assist healthcare organizations across the UK’s National Health Service (“**NHS**”).

On May 14, 2021, the Company completed the purchase of the on-premise hospital queue management business segment of Jayex healthcare Limited. (“**Jayex**”). Jayex is a leading UK and Australian e-health provider of integrated SaaS healthcare services delivery platforms.

On July 19, 2021, the Company incorporated Vitalhub Australia PTY Ltd in Victoria, Australia.

On September 23, 2021, the Company’s common shares began trading on the Toronto Stock Exchange, moving (and removing its common shares) from the TSX Venture Exchange, where the common shares were listed and traded since 2016.

Recent Developments

On January 27, 2022, the Company completed the acquisition of Beautiful Information Limited, a UK-based company that offers unique real-time information to NHS Trusts to help them plan and resource clinical services to meet hourly fluctuations in patient flow.

On April 21, 2022, the Company completed a bought deal public offering pursuant to which 5,645,200 common shares in the capital of Vitalhub were issued at \$3.10 per common share for total gross proceeds to the Company of approximately \$17,500,000.

On April 25, 2022, the Company completed the acquisition of Hicom Technology Limited, a UK-based company, that is a developer of software that automates healthcare and business processes.

On October 11, 2022, the Company completed the acquisition of Community Data Solutions, an Australian-based company, which offers an online case management system and supporting products.

On November 4, 2022, the Company completed the purchase of a product widely known as MyPathway from Advanced Digital Innovation (UK) Limited. MyPathway is a digital health platform that is used to improve patient interactions during treatment.

On January 1, 2023, the Company amalgamated Oculys Health Informatics Inc. (“**Oculys**”), into Vitalhub Corp.

On January 1, 2023, the Company amalgamated Intouch with Health Ltd, Transforming Systems Ltd, Alamac Limited, and Beautiful Information Limited., into Vitalhub UK Limited.

On January 23, 2023, the Company completed the acquisition of Coyote Software Corporation, an Ontario-based company that specializes in tailored software solutions that streamline the workflows of health and social service organizations.

4. Description of the Business

Vitalhub Corp. and its subsidiaries provide technology to Health and Human Services providers including Hospitals, Regional Health Authorities, Mental Health, Long Term Care, Home Health, Community and Social Services. Vitalhub solutions span the categories of Electronic Health Record (“EHR”), Case Management, Care Coordination & Optimization, and Patient Flow, Engagement & Operational Visibility solutions.

The Company has a robust two-pronged growth strategy, targeting organic growth opportunities within its product suite, and pursuing an aggressive M&A plan. By combining like software companies focused on Healthcare IT, growth and profitability will be increased. R&D spend will be reduced by moving development into the Vitalhub Innovation Lab located in Sri Lanka. This offshore development team is a wholly owned subsidiary of the Company, critical to the strategy of providing cost and development technology synergies. General and Administrative functions will be consolidated, resulting in cost savings. Vitalhub will cross-sell its products into the installed customer bases of the merged companies and will optimize sales and marketing processes across the organization, which will also drive sales growth. Currently, Vitalhub serves 600+ customers across North America, Australia, the UK, and the Middle East. Vitalhub is based in Toronto, Canada, with an offshore development hub, its subsidiary Vitalhub (PVT) Ltd. Operating as Vitalhub Innovation Lab, in Sri Lanka. The Company is publicly traded on the Toronto Stock Exchange under the symbol "VHI".

The Company’s offerings serve a large addressable market for Digital Health Solutions. The focus has been on the publicly funded acute hospital, mental health, community and social services sectors. VitalHub is a leader in the provisioning of Patient Flow, Operational Visibility, Patient Journey Optimization and Patient Engagement Solutions in the United Kingdom and Australia and in the Community and Social Services sector in Canada and Australia with its EHR, Case Management and Care Coordination solutions. VitalHub is growing in markets across Europe, the Caribbean, Middle East, Australia and cross-selling its new portfolio products into the markets where it has a strong presence.

Vitalhub has a seasoned management team with extensive healthcare IT experience. The leadership team has over 200 years of combined experience in healthcare and technology, including founding and operating healthcare software companies. Vitalhub has 350 employees in its Toronto headquarters, the UK and Australia. In addition, Vitalhub operates R&D in Sri Lanka, with an 100 member offshore development team, resulting in a significantly reduced and competitive cost structure, as well as other synergies.

The Company sells and markets its solutions in specific geographies, through a seasoned team of sales leaders and sales development representatives. Marketing is multi-pronged and maintained via a variety of channels including, the Company’s partner network, across social media, an active online presence, the Company’s participation in events and trade shows, and through hosting webinars, and via customer referrals all of which support the sales team and help to drive organic growth.

Revenue was comprised as follows in the three most recent years:

	2022	2021	2020
Perpetual licenses	\$3,618,552	\$1,447,523	\$988,117
Term licences , maintenance and support	\$29,359,361	\$19,250,266	\$10,000,703
Services, hardware and other	\$6,922,901	\$3,966,804	\$2,805,372
Total	\$39,970,814	\$24,664,593	\$13,794,192

Competition varies for the different products that the Company markets and sells. Primarily, they are niche products sold in niche markets, and the acquisitions have targeted the market leaders meaning there is very little competition in these markets. The acquisition targets have been mature companies, with a stable recurring revenue stream. In the patient flow market, which the Company has entered via the acquisition of Vitalhub UK, there is significant opportunity for growth. The Vitalhub UK acquisition represents an opportunity for international sales and distribution, with customers already in five countries. The Company will continue its emphasis on organic growth in the patient flow and EHR areas. There is competition from some niche players, as well as the large HIS (Hospital Information Systems) vendors. The Company will focus on government-funded healthcare systems, such as the UK, Australia, Canada, the Middle East, and others.

All Vitalhub products are developed internally in Canada, Sri Lanka, the United Kingdom and Australia. Implementation and support services are primarily delivered directly by the Company. The Vitalhub team has strong domain expertise, with seasoned veterans in healthcare technology. Customer retention is very positive at 97%.

As of December 31, 2022, recurring revenue currently accounts for 73% of the Company’s revenue stream (December 31, 2021 – 78%).

Acquisition Timeline

On October 5, 2017, the Company acquired B Sharp Technologies Inc. (“**B Sharp**”). B Sharp developed and deployed client mental health case management and electronic documentation solutions for healthcare, social services, and community care organizations, including a software development operation in Sri Lanka which provides access to skilled and cost-effective development personnel, which would become what is now Vitalhub (PVT) Ltd.

On January 10, 2018, the Company completed the acquisition of HI Next. Through HI Next, Vitalhub acquired TREAT, a Web-based electronic health record and care coordination platform built for health care providers. TREAT’s integrated solutions are tailored to many sectors of care, including the Behavioral and Mental Health Community.

On January 19, 2018, the Company completed the purchase of select assets of Clarity Healthcare Solutions (“**Clarity**”). Clarity was a Canadian Healthcare software and consulting services company specializing in patient centric solutions. Clarity Healthcare Solutions, its principal product,

is a web-based interface and data entry solution used by leading healthcare organizations to perform in-patient assessments, as it streamlines resident assessments and reporting for complex continuing and long-term care providers. Its applications include mental health, rehabilitation and homecare assessment.

On September 14, 2018, the Company completed the acquisition of Roxy Software Inc. (“**Roxy**”). Roxy’s flagship product “Pirouette” is a SaaS-based software solution that allows community health agencies to manage their client activities.

On March 20, 2019, the Company completed the acquisition of the Oak Group. The Vitalhub UK is a software and service provider of its propriety ‘Making Care Appropriate for Patients System and has been ranked first (based on combined quality and value scores) on the NHS England framework and is licensed on more U.K. healthcare beds than any other product of its class.

On November 21, 2019, the Company completed the acquisition of Oculys. Oculys provides a real-time and predictive operational management system for hospitals. The company currently has 18 hospital customers located across Ontario and Manitoba.

On August 20, 2020, the Company completed the acquisition of Intouch with Health. Intouch with Health is a patient flow management company located in the U.K.

On September 9, 2020, the Company completed the acquisition of Transforming Systems. Transforming Systems is a real time access to information company operating in the health and social services sector in the U.K.

On April 19, 2021, the Company acquired S12 Solutions Ltd., a U.K.-based company with a digital platform used by mental health professionals to connect to certain section 12 doctors for Mental Health Act 1983 assessments.

On May 14, 2021, the Company completed the purchase of the on-premise hospital queue management business segment of Jayex healthcare Limited. (“**Jayex**”). Jayex is a leading UK and Australian e-health provider of integrated SaaS healthcare services delivery platforms.

On July 2, 2021, the Company completed the acquisition Alamac Limited, a UK-based company that provides technological and advisory solutions that assist healthcare organizations across the NHS.

On January 27, 2022, the Company completed the acquisition of Beautiful Information Limited, a provider of patient flow solutions in the U.K.

On April 25, 2022, the Company completed the acquisition of Hicom Technology Limited, a developer of software that automates healthcare and business processes in the U.K.

On October 11, 2022, the Company completed the acquisition of Community Data Solutions, a company that offers an online case management system and supporting products in Australia.

On November 4, 2022, the Company completed the purchase of a product known as MyPathway from Advanced Digital Innovation (UK) Limited. MyPathway is a digital health platform that is used to improve patient interactions during treatment.

On January 23, 2023, the Company completed the acquisition of Coyote Software Corporation which specializes in tailored software solutions that streamline the workflows of health and social service organizations in Ontario.

Products and Services

Mental Health solutions support the distinct requirements of mental health and addictions service providers across inpatient, outpatient, and community settings. By charting the client’s story during their journey of treatment, Vitalhub provides a longitudinal record of client information and supports seamless continuity of care. Featured solutions include: B Care EHR, TREAT EHR, and Clarity EHR, and Pirouette EHR.

Community & Social Services solutions helps support continuity of care and reduces care gaps by providing access to the client’s longitudinal care record that displays the client story across different services, settings and programs. Featured solutions include TREAT EHR.

Long-Term Care and Retirement Living solutions help facilities support the comfort, care, and quality of life of clients wherever they might reside. Featured solutions include: B Care EHR, and DOCit.

Intouch with Health specializes in delivering IT-based outpatient patient flow management solutions to help Hospitals and private healthcare providers, increase organizational efficiency and deliver an improved patient experience, in the UK and internationally. The Intouch with Health Patient Journey Platform enables NHS Trusts and healthcare organizations to manage entire outpatient workflows for both patients and staff and supports performance management by senior teams. The product portfolio has 3 distinct product sets, that include over 15 solutions: The Patient Hub, The Clinical Hub and the Pre-Operative Assessment platform (Synopsis).

Transforming Systems specialize in providing real time dashboards that offer a simple visualization of large amounts of complex data that span multiple sites, sectors and providers so that the ‘story’ of what is going on right now is easy to understand. The SHREWD platform integrates with existing data infrastructures and typically demonstrates pressure in any part of the health and social care patient pathway which usually centers around the competing constraints of both capacity and demand. There are several additional modules that sit on the SHREWD Platform that can be configured to provide oversight and joined up coordination of any aspect of health and social care delivery.

S12 was founded to streamline inefficient manual processes used to organize Mental Health Act 1983 (“**MHA**”) assessment teams. The platform is able to provide MHA Assessment Team coordination; video calling; electronic statutory form completion and Section 12 (s.12) claim form creation, submission, and end payment. The company supports 6,000+ approved mental health professionals, S12 doctors, and claim processors, with 70% of NHS England’s Mental Health Trusts represented on the platform.

Jayex is a hospital outpatient flow management system that is hosted on premise, much like the Vitalhub's "Intouch with Health" product offering and is installed at almost 60 customer sites in the UK, Ireland and Australia.

Alamac provide a data intelligence and analytics service across any aspect of health and social care. Alamac is able to provide consultative and delivery services to support the development and design of performance 'suites'. Alamac 'kitbags' can receive and store data from any system infrastructure which is then used to provide analysis that includes diagnostics, performance reporting against set targets, forecasting, modelling, comparisons and quality measurement. Where data doesn't currently exist our team are skilled in creating manual data capture and collation that then feeds back into our dashboards and reporting portfolio.

Beautiful Information ("BI") offers unique real-time information at the individual patient level to the NHS health and social care sector as well as organizations and industries that sit on the periphery of health such as; population health management specialties, residential care home providers, cancer alliance organizations and also health science and academia networks. BI has developed a platform that provides a live view of patient pathways that track every step of a patient's journey and is able to demonstrate where there are delays, what patients are waiting for now and in the future so that care delivery is timely and seamless. The BI Patient Tracking Lists are configurable for any department, service, trust, pathway or wider system and is able to utilize data that already exists on current IT infrastructures or has the ability to create manual update capabilities where automation is not available and feed the output into strategic 'regional' dashboards or other products in the Vitalhub portfolio. Our BI team also provides advisory services that includes digital capability assessments, digital transformation and strategy design, program management and other bespoke consultancy delivery and support.

Hicom is a developer of software that automates healthcare and business processes worldwide. Hicom's solutions support a wide range of mission-critical healthcare-centered processes, including: patient and clinical care; clinical research; workforce management; recruitment and selection; learning and development; compliance management; and health & safety.

Community Data Solutions offers a cost-effective online case management system and related products which are used to support many critical workflows in the Community Services and Not For Profit sectors including counselling, case work, anti-poverty programs, foster care, aged care, and disability services. The product suite includes customer relationship management, business intelligence, and outcomes management tools as well as integration with timesheet and rostering functionalities.

MyPathway offers a digital health platform which is used to improve patient interactions during treatment for long term conditions as well as those individuals visiting acute facilities for shorter term elective or outpatient services. MyPathway supports the entry point of a patient's journey through a facility including ongoing communications between patient and clinical teams prior to, during, or after a visit. MyPathway puts the patient at the center of their healthcare journey.

Coyote specializes in tailored software solutions that streamline the workflows of health and social service organizations. The solutions offered include "CaseWORKS", an enterprise-class case management software, as well as "FormWORKS", "ScanWORKS", and "ShareWORKS", which are solutions geared to forms automation, records scanning, and document sharing, respectively. Coyote also offers a full range of software development, business consulting and systems integration services tailored to the unique needs of its customers. Coyote proudly provides these services to over 80 health and social service organizations empowering thousands of daily users throughout Canada and the U.S.

Principal Markets and Distribution Methods

Vitalhub North America

Vitalhub's products are distributed in Canada and the U.S. directly to, or together with partnerships to, healthcare providers and consultants. Vitalhub's suite of products consist of:

Clarity

The Clarity product is specifically geared to the mental health industry. The Mental Health solutions support the distinct requirements of mental health and addictions service providers across inpatient, outpatient, and community settings through the Clarity EHR product which is directly sold, via license, to such service providers.

Roxy

Roxy's flagship product "Pirouette" is a SaaS-based software solution that allows community health agencies to manage their client activities. Currently, Pirouette is used by 59 Toronto-based agencies representing an end-user base of approximately 3,450 users.

Oculys

Oculys provides a real-time and predictive operational management system for hospitals, focusing on the efficiency and effectiveness of patient care in Canada (Ontario and Manitoba) and the United Kingdom through its Oculys predict, Oculys Performance, Oculys Stay track, and Oculys Virtual Command control center products. These products are distributed through direct sales and healthcare consultants.

HI Next/TREAT

HI Next offers a web-based EHR platform built for healthcare providers, tailored to Behavioural and Mental Health, Community and Primary Caregivers in the United States through its product TREAT EHR, a Community & Social Services solution which helps support continuity of care and reduces care gaps by providing access to the client's longitudinal care record that displays the client story across different services, settings and programs. TREAT EHR is distributed to customers through direct sales and healthcare consultants.

Vitalhub Sri Lanka

Vitalhub Sri Lanka operates in Sri Lanka only as a development and support center for all products of the Company and so it does not directly serve any principal market or customer base.

Vitalhub UK Limited

Intouch with Health is an outpatient flow management company located in the U.K. Through its “Intouch Patient Journey Platform”, Intouch with Health specializes in delivering patient-focused flow management solutions in the United Kingdom and internationally that enables patients to move throughout a hospital more effectively and supports clinical teams to coordinate care more efficiently. Intouch with Health has evolved its solutions to support “virtual care” delivery and enable the reliance on face-to-face interactions and create more capacity in outpatient pathways. Intouch with Health is headquartered in Cirencester, Gloucestershire, United Kingdom with staff and operations, composed of 38 employees and contractors, located throughout the United Kingdom. Intouch with Health products are used by over 65 NHS Trusts in the United Kingdom representing 130 hospitals.

Transforming Systems (TS) is a real time information provider operating in the health and social services sector in both the U.K and Canada. Transforming Systems’ product portfolio, “SHREWD”, aims to solve the challenge of capturing and transforming complex sets of data from multiple sources, and playing it back in a way that is easy to interpret and that is able to provide coordinated oversight of operational pressures even before they happen. The product portfolio facilitates secure, real-time data collation, analysis and forecasting, at a price that is accessible to all health and social care providers. Once captured, data collected via the SHREWD provides actionable insights for users to be able to make improvements in performance, delivery and utilization of resources more effectively to ultimately improve patient outcomes. Transforming Systems is supported by a team of over 30 staff located across the UK and is supported by our sister teams in Canada and Sri Lanka. TS is operating in over 48% of the English NHS and spans cross 5 of the 7 NHS England Regions.

Alamac supports healthcare teams to identify and collect the data which is presented via a suite of performance reports and dashboards that provides analysis and intelligence to enable them to make improvements in all aspects of care delivery. Their methods create long-term behavioral and cultural change, creating improvement which can be measured, monitored, and managed in real time. Alamac has joined the Transforming Systems team and are headquartered in Cirencester, Gloucestershire, United Kingdom with staff and operations, composed of 4 employees, located throughout the United Kingdom. Alamac services are provided in both the UK and Ireland and span across multiple providers in wider regional localities.

Beautiful Information were the first NHS/private partnership of its kind, offering unique real-time information to NHS trusts and healthcare organizations to help them plan, prepare and resource joined up clinical services that support better patient flow. Beautiful Information has joined the Transforming Systems team and are headquartered in Cirencester, Gloucestershire, United Kingdom with staff and operations, composed of 7 employees, located throughout the United Kingdom. Beautiful Information solutions are utilized in multiple sectors in and around NHS care as well as currently live in over 15 NHS Trusts and CCG’s in the United Kingdom.

S12

S12 Solutions is an app and website (platform), which helps mental health professionals efficiently complete MHA processes. The platform has evolved with changing health and social care needs to become the only system able to provide MHA Assessment Team organization, Video Calling, Electronic Statutory MHA Forms, and s.12 doctor Claim Form creation, submission, and payment. The company supports 6,000+ approved mental health professionals, S12 doctors, and claim processors, with over 75% of NHS England’s Mental Health Trusts represented on the platform.

Jayex

Jayex Acute is an outpatient flow management company located in the U.K. Through its “Enlighten” Platform”, Jayex Acute specializes in delivering patient-focused flow management solutions in the United Kingdom, Ireland and Australia, that allow patients to more effectively move throughout an acute outpatient pathway. Jayex Acute has joined forces with the Intouch with Health team and are headquartered in Cirencester, Gloucestershire, United Kingdom with staff and operations, composed of 7 employees and contractors, located throughout the United Kingdom. Jayex Acute products are used by over 20 NHS Trusts and Health Boards in the United Kingdom, Ireland and Australia, representing 60 hospitals.

Hicom

Hicom is a developer of software that automates healthcare and business processes across a diverse 200+ strong client base in the United Kingdom, Ireland, United Arab Emirates (UAE), and New Zealand. Hicom's solutions support a wide range of mission-critical healthcare-centered processes, including: patient and clinical care; clinical research; workforce management; recruitment and selection; learning and development; compliance management; and health & safety. Hicom is headquartered in Woking, Surrey, United Kingdom and supports key international clients through a branch in the UAE.

Community Data Solutions

Community Data Solutions (CDS) offers an online case management system and related products which are used to support many critical workflows in the Community Services and Not For Profit sectors including counselling, case work, anti-poverty programs, foster care, aged care, and disability services. The product suite includes customer relationship management, business intelligence, and outcomes management tools as well as integration with timesheet and rostering functionalities. CDS is headquartered in Adelaide, South Australia, and serves 350+ agencies located in all states and internal territories of Australia with 19 staff based in South Australia and New South Wales.

MyPathway

MyPathway Solutions (MyPathway) was formed upon the acquisition of certain assets of ADI Health known to the broad market as MyPathway. The solution offers a digital health platform which is used to improve patient interactions during treatment for long term conditions as well as those individuals visiting acute facilities for shorter term elective or outpatient services. MyPathway supports the entry point of a patient's journey through a facility including ongoing communications between patient and clinical teams prior to, during, or after a visit. MyPathway puts the patient at the center of their healthcare journey. MyPathway is headquartered in Cirencester, Gloucestershire, United Kingdom with staff and operations, composed of 6 employees, located throughout the United Kingdom.

Coyote Software Corp.

Coyote specializes in providing software solutions to health and social service organizations. Coyote offers a full range of software development, business consulting and systems integration services tailored to the unique needs of organizations supporting communities through the delivery of health and social services. Founded in 1992 and based in Burlington, ON, Coyote serves 80+ health and social based organizations throughout Canada and the U.S. with its 9 team members based in the Greater Toronto Area.

Nova Scotia Department of Community Services Agreement

The Company signed a five-year agreement with Nova Scotia Department of Community Services ("NSDCS") on Friday December 21, 2018, with an option by NSDCS to extend for a total of five additional years. The agreement gives a license to Vitalhub's TREAT client management software to support the NSDCS and also includes provisions for an additional build of enhancements to the software that are bespoke to NSDCS. The agreement represents contract value of approximately \$9 million (CAD) over the initial term including a combination of recurring license revenue and professional services. Pursuant to the agreement, NSDCS pays an initial license fee and then additional fees as NSDCS users are added to the software, of which it is still being rolled out. The maximum user base pursuant to the agreement (which has not been reached) would only make up at most 10-12% of annual revenues for the Company at any given time, with no assurance of that level of impact or usage by NSDCS. Revenue from this agreement is not recognized until the user base is built, and so is dependent on the ongoing implementation thereof. At this time, the agreement has not impacted the Company in such a way that the Company deems such agreement as material.

Applicable Laws & Regulations

The Company is not directly subject to any laws or regulations in the development or support of their healthcare information systems. The Company's products and services are impacted by certain regulations only where in specific instances, the Company's clients have indicated that they are subject to certain regulations and laws and so the subject product or service must then be compliant therewith. Specific regulations that may impact the Company's product and service offerings include the Personal Health Information Protection Act (Ontario); the Canadian Institute for Health Information; Community Care Information Management (Ontario); and the Health Insurance Portability and Accountability Act (United States). In those cases, it is only specific elements of such laws or regulations which the Company works to comply with, each on a case by case basis.

Operations in Sri Lanka

The Company completed thorough due diligence when it acquired B Sharp Technologies Inc., and its Sri Lankan subsidiary, now Vitalhub (PVT) Ltd., through its Sri Lankan legal counsel. Counsel reviewed all documentation to ensure compliance with Sri Lankan law and that Vitalhub (PVT) Ltd. had all necessary documentation and permits for the conduct of the business. To the Company's knowledge, there are no restrictions or conditions imposed on the Vitalhub (PVT) Ltd.

Sri Lanka has a strong healthcare domain expertise, with a labour force that has experience in building state-of-the-art healthcare applications to support digital health products across hospitals and community care settings while providing a great cost saving on labour. Vitalhub employs approximately 90 developers in Sri Lanka. The operations in Sri Lanka, which precedes Vitalhub's ownership thereof, have been located there since 2008 and Vijit Coomara (Vitalhub's VP Development), previously principal of B Sharp Technologies, was the founder and continues to play a principal role in the management of the Sri Lankan operations. From 2008 to 2015, Mr. Coomara resided in Sri Lanka and oversaw operations there directly before returning to Canada.

There is political risk in operating in Sri Lanka as well as control risk given the center of decision making for the Company is maintained in Canada. However, the Company is still able to maintain domain expertise at its head office in Canada, meaning that although the operations in Sri Lanka are meaningful, disruption to the workforce in Sri Lanka would not be fatal to the Company's institutional knowledge and expertise.

As the sole shareholder of Vitalhub (PVT) Ltd., the Company has the authority to select the Board of Directors of Vitalhub (PVT) Ltd. and in turn its officers. Funds are transferred from the Company to Vitalhub (PVT) Ltd. on a monthly basis for the purposes of covering expenses, which ensures minimal cash exposure to the Company. Vitalhub (PVT) Ltd. is a cost center meaning the Company only transfers funds to cover expenses on an as needed basis.

The records of Vitalhub (PVT) Ltd. are located at a third-party record holder SSP CORPORATE SERVICES (PRIVATE) LIMITED, domiciled at 546/7, Galle Road, Colombo 3, Sri Lanka. There are no restrictions to access by the Company.

Exercise of Statutory Rights and Remedies in Sri Lanka

The Companies Act no. 7 of 2007 (the "Companies Act") is the law governing limited liability companies in Sri Lanka. Similar to the *Business Corporations Act* (Ontario), the Companies Act protects the interests of shareholders by imposing certain duties on directors of companies. In particular, section 187(1) of the Companies Act provides that a person exercising powers or performing duties as a director of a company shall act in good faith, and in what that person believes to be in the interests of the company. Section 188 of the Companies Act provides that a director of

a company shall not act or agree to the company acting, in a manner that contravenes any provisions of this Act, or the provisions contained in the articles of the company. Section 189 of the Companies Act provides that a person exercising powers or performing duties as a director of a company - (a) shall not act in a manner which is reckless or grossly negligent; and (b) shall exercise the degree of skill and care that may reasonably be expected of a person of his knowledge and experience.

Further the following should be noted:

- Shareholders are entitled to sue directors of a corporation if they breach their fiduciary duty by not acting in the best interest of the Company and/or if they knowingly engage in transactions which are in conflict of interest of the Company and/or are detrimental to the interests of the Company or its shareholders.
- Shareholders have the right to initiate derivative lawsuit actions. The court however has the right to decide to proceed or discontinue such proceedings. In the case of derivative suit actions, the company may be ordered to bear the reasonable costs of the proceeding. If the shareholders were to make false claims, the shareholders could be held liable in costs to the company, (it should be noted however that costs are subject to a process of “taxation” by the Court and the amount of taxed costs recoverable would be a fraction of actual costs).
- Minority shareholders are given the right to ask the company to buy back their shares if they think certain specified actions or decisions of the company would damage their interests.
- In situations of major transactions such as reduction of share capital which could affect the debt equity balance, the company has the obligation to meet certain conditions such as decisions on a fair and reasonable price and giving time.
- Other decisions which fall within the definition of a major transaction, require approval by special resolution or consent therefor in writing by all the shareholders of the company.

The Companies Act defines major transactions as:

- (a) the acquisition of or an agreement to acquire whether contingent or not, assets of a value which is greater than half the value of the assets of the company before the acquisition;
- (b) the disposition or an agreement to dispose of, whether contingent or not, the whole or more than half by value of the assets of the company;
- (c) a transaction which has or is likely to have the effect of the company acquiring rights or interests or incurring obligations or liabilities of a value which is greater than half the value of the assets before the acquisition; or,
- (d) a transaction or series of related transactions which have the purpose or effect of substantially altering the nature of the business carried on by the company.

Directors of Sri Lankan public companies are required to meet several criteria before they are appointed to the board of a public company to safeguard shareholders. They include the upper age limits, declarations of the interest of the directors, remuneration and restrictions on loans to directors. Some decisions of the directors such as an amalgamation, winding up and compromises with creditors can only be taken pursuant to a special resolution of the shareholders.

The provisions in the Companies Act in regard to winding up of companies, include provisions for the appointment of a liquidator. The Companies Act also contains provision for the appointment of an administrator/receiver to protect the interest of all the stakeholders.

In the case of Vitalhub (PVT), being domiciled in Sri Lanka, exercising any statutory rights and remedies under Canadian securities law will be an issue of jurisdiction. Any jurisdictional issue in Canada regarding the exercise of statutory rights and remedies starts with the determination of the most appropriate court to hear the action. The Canadian test is “forum conveniens” – a Canadian court would be asked if the foreign court (likely where the operation is located, or where the damages occurred) is the most appropriate forum to decide the action, or whether there are reasons why a Canadian court should take jurisdiction and decide the case. If the foreign court is the most appropriate forum, the question then arises about enforcement of a judgment issued by the foreign court. Case law regarding determination of forum and enforcing foreign issued judgements are all fact specific.

Management Experience in Sri Lanka

Mr. Dan Matlow together with Mr. Coomara have been regularly travelling to Sri Lanka since the acquisition of B Sharp Technologies. The Company works with its legal counsel in Sri Lanka, on a regular basis to advise on the enumerated matters above. Vitalhub (PVT) Ltd’s accounts are audited annually in Sri Lanka as well.

Prior to the onset of the COVID-19 pandemic, Mr. Matlow visited Sri Lanka twice annually, and Mr. Coomara four times annually. Other members of staff and management also traveled to Sri Lanka dependent on the demands of ongoing work. Vitalhub utilizes electronic communication tools to meet on a regular basis with the Sri Lankan team and its local management including Dilan Rajapakse who is part of the Company’s operational team that meets weekly, electronically, with the Sri Lankan team. In addition, members from the Sri Lankan team come to Toronto to meet staff and customers on an as-needed basis and as travel conditions permit.

Primary languages in Sri Lanka are Sinhalese and English. Mr. Vijit Coomara speaks Sinhalese. English in Sri Lanka is fluently spoken by approximately 24% of the population and is widely used for official and commercial purposes. It is the native language of approximately 74,000 people, mainly in urban areas.

The Company’s communications with its Sri Lankan employees are in English and to-date there have not been any issues with operations or advisors transacting in English. Vitalhub’s work force are typically educated individuals that can communicate in English and have studied in English.

The audit committee of the Company may exercise its authority pursuant to section 4.1 of National Instrument 52-110 in the same manner as it would in Canada, the US and the United Kingdom. Through contact with business people in the area, in the case of Sri Lanka, the company’s legal counsel for example, the audit committee can obtain recommendations for suitable advisors or counsel and retain them on the same basis they would be retained if evaluated for that purpose locally in Canada.

5. Risk Factors

The risks set out below are not an exhaustive description of all of the risks associated with the business of the Company, and the drug and natural health products industry generally. It is believed that these are the factors that could cause actual results to be different from expected and historical results. These risk factors should be read in conjunction with other disclosure documents of the Company which are publicly available and which include additional factors that could have an effect on the business and financial performance of the Company. Additional risks and uncertainties not presently known or currently deemed immaterial may also impair business operations. Any of the following risks could materially and adversely affect the Company's business, financial condition and results of operations.

The annual revenue and operating results of Vitalhub can be difficult to predict and can fluctuate substantially, which may harm or distort results of operations.

Vitalhub's revenue is difficult to forecast and is likely to fluctuate significantly from quarter to quarter. In addition, operating results may not follow any past trends. The factors affecting revenue and results, many of which are outside of Vitalhub's control, include:

- Competitive conditions in the industry, including new products, product announcements and special pricing offered by competitors;
- Market acceptance of products;
- Ability to hire, train and retain sufficient qualified sales and professional services staff;
- Ability to complete service obligations related to product sales in a timely manner;
- Varying size, timing and contractual terms of orders for products, which may delay the recognition of revenue;
- Ability to maintain existing relationships and to create new relationships to assist with sales and marketing efforts;
- The discretionary nature of hospital purchase and budget cycles and changes in their budgets for, and timing of, software and related purchases;
- The length and variability of the sales cycles;
- Strategic decisions by Vitalhub or competitors, such as acquisitions, divestitures, spin-offs, joint ventures, strategic investments or changes in business strategy;
- General weakening of the economy resulting in a decrease in the overall demand for computer software and services;
- Changes in Vitalhub pricing policies and the pricing policies of Vitalhub's competitors;
- Timing of product development and new product initiatives;
- Changes in the mix of revenue attributable to substantially lower-margin service revenue as opposed to higher margin product license revenues;
- Cancellation of recurring monthly software contracts;
- Vitalhub's annual revenue is dependent upon a relatively small number of transactions, even minor variations in the rate and timing of conversion of sales prospects into revenue could cause the plan or budget to be inaccurate, and those variations could adversely affect financial results. Delays, reductions in the amount, or cancellations of customers' purchases would adversely affect Vitalhub revenues, results of operations and financial condition; and,
- While the impact of COVID-19 on the Company has largely subsided, management continues to closely monitor all COVID-19 developments including its impact on the Company's customers, employees, suppliers, vendors, business partners, and distribution channels. In addition to COVID-19, the global economy, including the financial and credit markets, has recently experienced extreme volatility and disruptions, including increases to inflation rates, rising interest rates, foreign currency impacts, declines in consumer confidence, and declines in economic growth. All these factors point to uncertainty about economic stability, and the severity and duration of these conditions on the Company's operation cannot be predicted. Despite these uncertainties, the Company believes it is well equipped to handle the uncertainty and has taken several proactive steps in an attempt to better manage the challenges of the COVID-19 pandemic including potential future impact on the Company's assets, cash flows and liquidity, operations and financial reporting.

Vitalhub may need additional financing in order to support its operations, make further investments, or take advantage of unanticipated opportunities.

The ability of Vitalhub to arrange financing in the future will depend in part upon prevailing capital market conditions, as well as its business success. There can be no assurance that Vitalhub will be successful in its efforts to arrange additional financing on satisfactory terms.

If additional financing is raised by the issuance of shares or other forms of convertible securities from treasury, control of Vitalhub may change and shareholders may suffer additional dilution. If adequate funds are not available, or are not available on acceptable terms, then Vitalhub may not be able to take advantage of opportunities, or otherwise respond to competitive pressures and remain in business.

Vitalhub may be unable to identify and complete acquisitions. Acquisitions could divert Management's attention and financial resources, may negatively affect operating results and could cause significant dilution to shareholders.

Vitalhub has, and in the future may continue to, engage in selective acquisitions of complementary products or businesses. There is a risk that Vitalhub will not be able to identify suitable acquisition candidates available for sale at reasonable prices, complete any acquisition, or successfully integrate any acquired product or business into its operations. Vitalhub is likely to face competition for acquisition candidates from other parties including those that have substantially greater available resources. Acquisitions may involve a number of other risks, including:

- Diversion of management's attention;
- Disruption to ongoing business;
- Failure to retain key acquired personnel;
- Difficulties in integrating acquired operations, technologies, products or personnel;
- Unanticipated expenses, events or circumstances;
- Assumption of disclosed and undisclosed liabilities; and,
- Inappropriate valuation of the acquired in-process research and development, or the entire acquired business.

If Vitalhub does not successfully address these risks or any other problems encountered in connection with an acquisition, the acquisition could have a material adverse effect on the business, results of operations and financial condition. Problems with an acquired business could have a material adverse effect on the performance of the business as a whole. In addition, if Vitalhub proceeds with an acquisition, available cash may be used to complete the transaction, diminishing liquidity and capital resources, or shares may be issued which could cause significant dilution to existing shareholders.

The industry in which Vitalhub operates is highly competitive and competition could intensify, or any technological advantages held by Vitalhub may be reduced or lost, as a result of technological advances by its competitors. If Vitalhub does not compete effectively with these competitors, its revenue may not grow.

Vitalhub has experienced competition from a number of software companies and expects it to continue in the future. Vitalhub's competitors may announce new products, services or enhancements that better meet the needs of customers or changing industry standards. Increased competition may cause price reductions, reduced gross margins and reduced growth in sales, any of which could have a material adverse effect on the business, results of operations and financial condition of Vitalhub. Vitalhub faces substantial competition from established competitors, many of which may have greater financial, engineering, manufacturing and marketing resources than it does. Many of these companies also have a larger installed base of users, have longer operating histories or have greater name recognition than Vitalhub does. There can be no assurance that Vitalhub will successfully differentiate its current and proposed products from the products of its competitors, or that the marketplace will consider the products of Vitalhub, to be superior to competing products.

To maintain Vitalhub's competitive position, it is believed that Vitalhub will be required to continue a high level of investment in engineering, research and development, marketing and customer service and support. There can be no assurance that Vitalhub will have sufficient resources to continue to make these investments, that it will be able to make the technological advances necessary to maintain its competitive position, or that its products will receive market acceptance. Vitalhub's competitors may be able to respond more quickly to changes in customer requirements and devote greater resources to the enhancement, promotion and sale of their products. Vitalhub may not be able to compete successfully in the future, and increased competition may result in price reductions, reduced profit margins, loss of market share and an inability to generate cash flows that are sufficient to maintain or expand its development of new products.

The success of the business of Vitalhub is dependent upon its ability to develop new products and enhance existing products.

To keep pace with technological developments, satisfy increasingly sophisticated customer requirements and achieve market acceptance, Vitalhub must enhance and improve existing products and must also continue to introduce new products and services. If Vitalhub is unable to successfully develop new products or enhance and improve existing products or it fails to position and/or price its products to meet market demand, the business and operating results of Vitalhub will be adversely affected. Accelerated product introductions and short product life cycles require high levels of expenditures for research and development that could adversely affect operating results. Further, any new products could require long development and testing periods and may not be introduced in a timely manner or may not achieve the broad market acceptance necessary to generate significant revenue.

If Vitalhub is required to change its pricing models to compete successfully, margins and operating results may be adversely affected.

The intensely competitive market in which Vitalhub operates may require that prices be reduced. If competitors offer deep discounts on certain products or services in an effort to recapture or gain market share or to sell other software products, Vitalhub may be required to lower prices or offer other favorable terms to compete successfully. Any such changes would be likely to reduce margins and could adversely affect operating results. Some competitors may bundle software products that compete with Vitalhub products for promotional purposes or as a long-term pricing strategy or provide guarantees of prices and product implementations. These practices could, over time, limit the prices that Vitalhub can charge for its products. If Vitalhub cannot offset price reductions with a corresponding increase in the number of sales or with lower spending, then the reduced software license revenue resulting from lower prices would adversely affect margins and operating results.

Vitalhub may not be able to successfully develop and maintain strategic relationships to sell and implement its products.

Vitalhub has or is developing relationships with third-party systems integrators, software and hardware vendors. These third parties may provide Vitalhub with customer referrals, cooperate in marketing Vitalhub's products and provide its customers with systems implementation services or additional complementary products. However, Vitalhub does not have formal agreements governing ongoing relationships with certain of these third-party providers and the agreements in place generally do not include obligations with respect to generating sales opportunities or co-operating on future business. Should any of these third parties go out of business or choose not to work with Vitalhub, the company may be forced to increase the development of those capabilities internally, incurring significant expense and adversely affecting operating margins. These third-party providers may work with other companies which have products that compete with the Vitalhub products. Vitalhub could lose sales opportunities if it fails to work effectively with these parties or they choose not to work with Vitalhub.

The operations of Vitalhub could be negatively affected if it loses key executives or employees or is unable to attract and retain skilled executives and employees as needed.

The business and future operating results of Vitalhub depend in part upon its ability to attract and retain qualified management, technical, sales, marketing, and support personnel. This is crucial to the ability of Vitalhub to develop, market, and support its products and services. The loss of key personnel could negatively impact Vitalhub's business, results of operations, and financial condition. The success of Vitalhub is also highly dependent on its continuing ability to identify, hire, train, motivate and retain highly qualified management, technical, sales and marketing personnel. Competition for such personnel can be intense, and no assurance can be made that Vitalhub will be able to attract or retain highly qualified technical and managerial personnel in the future. The inability to attract and retain the necessary management, technical, sales and marketing personnel may adversely affect the future growth and profitability of Vitalhub. It may be necessary to increase the level of compensation paid to existing or new employees to a degree that operating expenses could be materially increased.

Errors in Vitalhub products could result in significant costs to Vitalhub and could impair its ability to sell its products.

Vitalhub products are complex and, accordingly, they may contain errors, or “bugs”, that could be detected at any point in their product life cycle. The reputation of Vitalhub could be materially and adversely affected by errors in the products. These errors could result in significant costs to Vitalhub, delay planned release dates and impair the ability to sell products in the future. The costs incurred in correcting any product errors may be substantial and could adversely affect operating margins. While Vitalhub plans to continually test its products for errors and work with customers through maintenance support services to identify and correct bugs, errors in the products may be found in the future.

A successful product liability claim against Vitalhub could seriously harm the business.

The license agreements that Vitalhub enters into with its customers typically contain provisions designed to limit the exposure Vitalhub has to potential product liability claims. Despite this, it is possible that these limitations of liability provisions may not be effective as a result of existing or future laws or unfavorable judicial decisions. Vitalhub has not experienced any product liability claims to date. However, the sale and support of Vitalhub products may entail the risk of those claims, which are likely to be substantial in light of the use of the products in critical applications. A successful product liability claim could result in significant monetary liability and a serious disruption of the business.

Economic uncertainty and downturns in the software market may lead to decreases in the revenue and margins of Vitalhub.

The market for Vitalhub’s products depends on economic conditions affecting the broader software market. Downturns in the economy may cause hospitals to delay or cancel software projects, reduce their overall information technology budgets or reduce or cancel orders for Vitalhub products. This may lead to longer sales cycles, delays or failures in payment and collection, and price pressures, causing Vitalhub to realize lower revenue and margins.

Vitalhub may lose sales or sales may be delayed due to the long sales cycles for its products.

Hospitals typically invest substantial time, money and other resources researching their needs and available competitive alternatives before deciding to license software products. Typically, the larger the sale, the more time, money and other resources will be invested. As a result, it may take many months after Vitalhub first has contact with a potential customer before a sale can actually be completed. Vitalhub may invest significant sales and other resources in a potential customer that may not generate revenue for a substantial period of time, if at all. The time required for implementation of Vitalhub products varies among its customers and may last several months, depending on the customers’ needs and the products deployed. During these long sales and implementation cycles, events may occur that affect the size or timing of the order or even cause it to be cancelled. For example:

- Purchasing decisions may be postponed, or large purchases reduced, during periods of economic uncertainty;
- Vitalhub or its competitors may announce or introduce new products; or,
- The customer’s budget and purchasing priorities may change.

If these events were to occur, sales of Vitalhub products or services may be cancelled or delayed, which would reduce future revenue.

Maintenance and service revenue produce substantially lower gross margins than license revenue, and an increase in service revenue relative to license revenue would harm Vitalhub’s overall gross margins.

Maintenance and service revenue have substantially lower gross margins than license revenue. An increase in the percentage of net revenue represented by maintenance and service revenue could adversely affect overall gross margins percentage.

The volume and profitability of services can depend in large part upon:

- Competitive pricing pressure on the rates charged for professional services;
- Billable utilization of services personnel;
- The complexity of clients’ IT environments; and,
- The resources directed by customers to their implementation projects.

Any erosion of margins for maintenance and service revenue, or any adverse changes in the mix of license versus maintenance and service revenue, could adversely affect operating results.

Vitalhub may license software from third parties. The loss of rights to use this software could increase operating expenses and could adversely affect the company’s ability to compete.

Vitalhub may license certain technologies used in its products from third parties, generally on a non-exclusive basis. The termination of any of these licenses, or the failure of the licensors to adequately maintain or update their products, could delay Vitalhub’s ability to ship its products, as Vitalhub may need to seek to implement alternative technology offered by other sources. This may require unplanned investments by Vitalhub. In addition, alternative technology may not be available on commercially reasonable terms. In the future, it may be necessary or desirable to obtain other third-party technology licenses relating to one or more products or relating to current or future technologies to enhance Vitalhub’s product offerings. There is a risk that Vitalhub will not be able to obtain licensing rights to the required technology on commercially reasonable terms, if at all.

Vitalhub is exposed to foreign currency risk by reason of collecting some of its revenues in US, GBP, AUD, and QAT dollars and plans to sell into other foreign geographies as well as subsidiaries in foreign countries, a change in the foreign currency exchange rate could adversely affect the company's earnings.

For the year ended December 31, 2022, approximately 78% (2021 - 70%) of Vitalhub's sales revenue originated from clients in the United States, the United Kingdom, Australia, and Western Asia. It is possible that a greater percentage of Vitalhub's sales could emanate from other foreign countries. As such, a significant portion of Vitalhub's revenues are in other foreign currencies which it then converts into Canadian dollars for reporting in its financial statements. Vitalhub's earnings could be adversely affected if the exchange rate between those other foreign currencies and Canadian dollars fluctuates.

Vitalhub is exposed to certain risks relating to Operating in Sri Lanka

General Emerging Market Risk

In certain emerging market countries, including in Sri Lanka where the Company maintains operation of its subsidiary Vitalhub (PVT) Ltd., there is the possibility of expropriation of assets, confiscatory taxation, political or social instability or diplomatic developments which could affect investment in those countries. There may be less publicly available information about certain financial instruments than some investors would find customary and entities in some countries may not be subject to accounting, auditing and financial reporting standards and requirements comparable to those to which certain investors may be accustomed. Certain financial markets, while generally growing in volume, have, for the most part, substantially less volume than more developed markets, and securities of many companies are less liquid and their prices more volatile than securities of comparable companies in more sizeable markets. There are also varying levels of government supervision and regulation of exchanges, financial institutions and issuers in various countries.

Political Risk

The Sri Lankan's government's priorities with respect to business opportunities for international companies include: (i) developing a digital economy; (ii) improving cyber security and technology in government; and (iii) improving education and healthcare. The Company currently operates in those sectors and contributes to the accomplishment of the current government's goals. There can be no assurance that future governments will share those priorities or view the presence of the Company in Sri Lanka, or any foreign investment or operations, favourably. Policies, laws or regulations may be changed that adversely affect the Company's operations in Sri Lanka.

In addition, Sri Lanka's credit ratings were downgraded in 2022 by Fitch (RD), Moody's (Ca) and S&P (SD). Sri Lanka has a heavy debt burden as a result of government borrowing and high recurring expenditure levels. Servicing this is costly. These factors may prompt government to take action which could negatively affect the Company's operations.

Bribery and Corruption

Corruption in government procurement processes in Sri Lanka is a significant issue. Public officials are not routinely compelled to declare their assets and "conflict of interest" guidance is unclear and essentially unenforceable. At present, the mandates of Sri Lankan anti-corruption bodies do not extend to the private sector in Sri Lanka. Transparency International's corruption perception index (CPI) measures the perceived levels of public-sector corruption in a given country. From 198 countries worldwide Sri Lanka was ranked 93 in 2018. In the South Asia Region, Sri Lanka ranks higher than Pakistan at 117 and Bangladesh at 149 but lags behind India ranked at 78.

Security breaches, denial of service attacks, or other hacking and phishing attacks on the Company's systems or other security breaches, including internal security failures and other privacy breaches including the unauthorized access to, use or disclosure of personal information, could harm the Company's reputation or subject us to significant liability, and adversely affect the Company's business and financial results.

In the current environment, the volume, velocity and creativity of security threats and cyber-attacks continue to grow, this includes criminal hackers, hackers, state-sponsored organizations, industrial espionage, employee misconduct, and human or technological errors.

The integrity, reliability and security of information in all forms are critical to the Company's daily and strategic operations. Despite the Company's efforts to create security barriers, the Company is susceptible to operational, financial and information security risks resulting from cyber-attacks and/or technological malfunctions. Successful cyber-attacks, security breaches and/or technological malfunctions affecting the Company or its products or services can result in, among other things, litigation, governmental audits or investigations, financial penalties or losses, unauthorized release of customer information or confidential information, loss of confidence in the Company's products and services and significant reputational risk, each of which could adversely affect its business, financial condition and results of operations.

Third parties to whom the Company outsources certain functions, or with whom their systems interface, are also subject to the risks outlined above and may not have or use appropriate controls to protect confidential information. A breach or attack affecting a third-party service provider or partner could harm the Company's business even if the Company does not control the service that is attacked.

Dividends and Distributions

No cash dividends or distributions have been declared for each of the three most recently completed financial years. The Company has no current dividend or distribution policy.

6. Description of Capital Structure

The Company is authorized to issue an unlimited number of common shares with no par value. As at December 31, 2022, the Company has issued and outstanding 43,599,648 fully paid and non-assessable common shares. Each common share of the Company carries one voting right.

The Company has a Stock Option Plan permitting the Company to grant options exercisable into a maximum of ten percent (10%) of the total number of issued and outstanding common shares at the time of grant. As at December 31, 2022, there were 2,450,206 stock options outstanding.

In addition, the Company has a Deferred Share Unit Plan permitting the Company to grant Deferred Share Units up to a maximum of 3,624,235. As at December 31, 2022, there were 87,414 Deferred Share Units outstanding.

The Company entered into a share repurchase program (the “**Issuer Repurchase Plan Agreement**”) on August 29, 2022, and ending on August 28, 2023, whereby the Company may during the 12-month period purchase for cancellation up to 1,000,000 common shares in its capital stock. The price which the Company will pay for any such shares will be the prevailing market price at the time of acquisition. The aggregate number of shares purchased under the Issuer Repurchase Plan Agreement shall not exceed: (i) 7,866 common shares on a daily basis; and (ii) 1,302,007 common shares on an aggregate basis over the term of the repurchase program until the occurrence of a termination event, subject to certain prescribed exceptions. As of December 31, 2022, the Company has repurchased and cancelled 91,600 of its common shares.

7. **Market for Securities**

Trading price and volume

Month	Trading Price High (\$) ⁽¹⁾	Trading Price Low (\$) ⁽¹⁾	Monthly Volume (#)
January, 2022	\$3.30	\$2.82	447,762
February, 2022	\$3.44	\$2.98	1,044,537
March, 2022	\$3.45	\$2.95	1,117,205
April, 2022	\$3.10	\$2.85	427,636
May, 2022	\$3.18	\$2.71	630,644
June, 2022	\$3.12	\$2.63	295,469
July, 2022	\$2.78	\$2.57	417,642
August, 2022	\$2.77	\$2.57	372,146
September, 2022	\$2.65	\$2.27	396,386
October, 2022	\$2.54	\$2.31	543,214
November, 2022	\$2.49	\$2.19	383,862
December, 2022	\$2.79	\$2.25	456,350

Notes:

(1) Source: Stockwatch

8. **Prior Sales**

During the period ended December 31, 2022, the Company issued the following securities which are outstanding but are not listed or traded on a marketplace:

Type of Security	Number of Common Shares Issuable on Exercise or Conversion (1)	Price per Security (\$) (1)	Exercise or Conversion Price/Share (\$) (1)	Date of Issuance
Common Shares	5,645,200.00	\$3.10	Nil	April 21, 2022
Common Shares	90,266.00	\$3.03	Nil	January 27, 2022 (see note 2)
Common Shares	475,104.00	\$3.02	Nil	April 25, 2022 (see note 3)
Options	84,500.00	Nil	\$1.20	January 4, 2022
Options	10,000.00	Nil	\$1.30	February 15, 2022
Options	60,000.00	Nil	\$1.30	March 22, 2022
Options	50,000.00	Nil	\$1.30	August 3, 2022
Options	38,000.00	Nil	\$1.95	November 1, 2022
Options	19,000.00	Nil	\$1.65	November 14, 2022
Options	75,000.00	Nil	\$1.25	November 17, 2022
Options	30,000.00	Nil	\$1.95	November 22, 2022
Options	7,500.00	Nil	\$2.03	November 22, 2022
Options	54,000.00	Nil	\$1.65	November 22, 2022
Options	35,000.00	Nil	\$1.95	December 15, 2022
Options	32,500.00	Nil	\$1.95	December 28, 2022
Warrants	22,875.00	Nil		January 17, 2022
Warrants	22,875.00	Nil		March 10, 2022
TOTAL	6,751,820.00			

Notes:

- 1) Presented on a post-Consolidation basis.
- 2) Issued, pursuant to an acquisition agreement dated January 27, 2022, to all of the previous shareholders of Beautiful Information in exchange for their shares of Beautiful Information.
- 3) Issued, pursuant to an acquisition agreement dated April 25, 2022, to all of the previous shareholders of Hicom in exchange for their shares of Hicom.

Securities Subject to Contractual Restriction on Transfer

As of December 31, 2022, a total of 175,337 common shares remained subject to contractual restrictions on transfer, as set out below.

Designation of Class	Number of Securities held in escrow or that are subject to a contractual restriction on transfer	Release date	Percentage of class
Common Shares	28,357.00	April 19, 2023	0.07%
Common Shares	28,357.00	October 19, 2023	0.07%
Common Shares	28,357.00	April 19, 2024	0.07%
Common Shares	22,567.00	January 27, 2022	0.05%
Common Shares	16,925.00	July 27, 2022	0.04%
Common Shares	16,925.00	January 27, 2023	0.04%
Common Shares	16,925.00	July 27, 2023	0.04%
Common Shares	16,924.00	January 27, 2024	0.04%
TOTAL	175,337.00		

Notes:

- 1) All shares held by TSX Trust.

9. **Directors and Officers**

The following table sets out the details of the Directors of the company as of the date of the AIF

<p>Barry Tissenbaum Toronto, Ontario ⁽¹⁾</p> <p>Principal Occupation For Last Five Years: B.A.T. consulting and Corporate Director (July 2005 to present)</p> <p>Director since: November 28, 2016</p> <p>Shares Held or Beneficially Owned⁽³⁾ 53,000 ⁽⁶⁾</p>	<p>Mr. Barry Tissenbaum, CPA, CA is a Corporate Director as well as a consultant for B.A.T. Consulting which provides services to mostly private, family-owned entrepreneurial companies. Mr. Tissenbaum is a former senior partner with Ernst & Young LLP in Toronto where he headed their Retail and Consumer Products division as well as working many years in the Entrepreneurial Services Group and served as the Toronto Mid-Town Managing Partner for 5 years. Barry's experience as an accountant and business advisor has seen him provide consulting services to senior management in the areas of strategy, profitability, finance, management, taxation, mergers, acquisitions and divestitures. Mr. Tissenbaum has served on the board of directors of various publicly listed companies including Nobilis Health Corp, Just Energy Exchange Corp, Corel Corporation, Medworxx Solutions Inc., and Noranda Income Fund. He also serves as the Chairman of the Independent Review Committee of Faircourt Asset Management Funds. Mr. Tissenbaum obtained his Chartered Accountant designation in Quebec in 1968 and in Ontario in 1974. He is a member of Chartered Professional Accountants Canada and Chartered Professional Accountants of Ontario.</p>
<p>Roger Dent ⁽¹⁾⁽²⁾ Toronto, Ontario, Canada</p> <p>Principal Occupation for Last Five Years: CEO and Director Quinsam Capital Corporation (December 2013 to present)</p> <p>Director since: January 9, 2015</p> <p>265,000 ⁽⁴⁾</p>	<p>Mr. Dent has served as the Chief Executive Officer and a director of Quinsam Capital Corporation, an investment firm focusing on undervalued assets, companies, or projects, since December 2013. Mr. Dent is a director of AcuityAds Holdings Inc., Omni-Lite Industries Canada, Inc., Deveron Corp., and California Nanotechnologies Corp. From 2003 to 2011, he held various positions, including portfolio manager, with Matrix Fund Management Inc., where he managed the Matrix strategic Small Cap Fund and the Matrix Small Companies Fund. He was formerly Vice-Chairman of Yorkton Securities Inc., one of the Canada's largest independent investment dealers and was Managing Director and Deputy Manager of Research at CIBC World Markets. He holds a Master of Business Administration from Harvard Business School and a Bachelor of Commerce from Queen's University.</p>
<p>Stephen Garrington Sydney, NSW, Australia</p> <p>Principal Occupation For Last Five Years: CEO CMG Solutions Pty Ltd (2011 to Present) Executive Vice President InterSystems (2011 to 2019)</p> <p>Director since: November 28, 2016</p> <p>Shares Held or Beneficially Owned⁽³⁾ 60,000 ⁽⁷⁾</p>	<p>Based in Sydney Australia, Steve Garrington is a graduate of the Australian Institute of Directors (GAICD), and brings 30 years of Healthcare IT business experience to his role on the VitalHub board. Mr. Garrington has previously served on public company boards in the UK, Australia and Canada, and has held leadership positions at several international software companies including; Misys, Torex, Ascribe, IBA Health, iSOFT and InterSystems. Mr. Garrington is currently working as a non executive independent advisor to companies in the technology sector. Mr. Garrington's expertise has been developed in a range of markets including Asia Pacific, Continental Europe, Middle East, North America, Latin America and the United Kingdom.</p>

<p>Chris Schnarr, ICD.D (1)(2) Mississauga, Ontario</p> <p>Principal Occupation For Last Five Years: Managing Director, Lorian Group Inc. (April 2020 - Present) Managing Director, Medical and Therapeutics, Canopy Growth Corporation (October 2018 to March 2020) Managing Director Lorian Group Inc. (November 2016 to October 2018)</p> <p>Director since: December 12, 2016</p> <p>Shares Held or Beneficially Owned⁽³⁾ 35,000 (8)</p>	<p>Mr. Schnarr is Chairman of Vitalhub, and brings a wealth of experience to the Corporation, across a broad range of roles and industries founding, managing, and advising growth companies, including strategy, corporate finance, capital markets, corporate development, M&A, financial reporting and governance. Mr. Schnarr has nearly 30 years of public company Board experience across NYSE, TSX and TSXV listed companies, as well as extensive audit and compensation committee experience. Mr. Schnarr is also Lead Director and Audit Chair of Highmark Innovations (TSXV:HMRK), and a Director and Audit Chair of BZAM Ltd. (CSE:BZAM). He is a member of the Institute of Corporate Directors, a graduate of the Directors Education Program at the Rotman School of Business at the University of Toronto, and holds the ICD.D designation.</p>
<p>Dan Matlow Thornhill, Ontario</p> <p>Principal Occupation For Last Five Years: President and CEO VitalHub Corp. (May 2016 to Present) President and CEO Medworxx (May 2004 to April 2016)</p> <p>Director since: November 28, 2016</p> <p>Shares Held or Beneficially Owned⁽³⁾ 876,862 ⁽⁵⁾</p>	<p>As president and CEO of Vitalhub, Mr. Matlow's focus is on increasing new license sales and services revenues, identifying and negotiating acquisitions, and directing the overall operations of the business. Mr. Matlow brings 30 years of software vendor management experience to Vitalhub, with extensive experience in software development, marketing, consulting, and sales. Prior to Vitalhub Dan most recently served as President and CEO of Medworxx Solutions Inc. ("Medworxx") from 2004 to 2015, which was sold to Aptean, a subsidiary of Vista Equity Partners, in October 2015 for a valuation of \$20 million. Medworxx is a provider of healthcare patient flow solutions throughout Canada, the United States, the UK, France and Australia. Dan began his career at On-Line Software Inc. where he led the Canadian operations of a \$150M software business. He then founded and led an education services organization called SDLC Technologies Inc. ("SDLC"). SDLC developed and marketed instructor-led IT education courses in the United States and Canada. Dan led the sales function of Open Text's healthcare division as Vice President of Sales. He was SVP of Sales for Corechange, a Boston-based startup, where he led the sales team that grew both license and services revenues from less than USD\$1M in 1997, to over \$20M in 2001. Open Text acquired Corechange in early 2003. Prior to Corechange, Dan served as President & CEO for an enterprise training and education company that delivered a broad range of instructor-led technical training to Fortune 1000 enterprises in the North America. Dan holds a BA from York University in Toronto, Canada. Mr. Matlow is a board member of Green Gruff, MeasureUp and Danavation Technologies corporation.</p>
<p>Francis Shen Toronto, Ontario</p> <p>Principal Occupation For Last Five Years: President & CEO, Shen Capital Corporation (1995 to present)</p> <p>Director since: May 6, 2019</p> <p>Shares Held or Beneficially Owned⁽³⁾ 6,664,550 ⁽⁹⁾</p>	<p>Mr. Shen is currently a Director of MediaValet Inc., and ICESoft Technologies Inc. Mr. Shen was the founder, Chair and Co-Chief Executive Officer of Aastra Technologies Ltd, a TSX listed company which was sold to Mitel Networks Corporation in 2014 in a transaction that returned over \$500 million to the Aastra shareholders. Aastra was founded in 1983 initially to serve the aerospace market and quickly transitioned in the 1990s to the rapidly growing telecom industry. In 2000, Mr. Shen was named Ontario's Entrepreneur of The Year in the Technology & Communications category by Ernst & Young. He holds a Master and Bachelor of Applied Science both from the University of Toronto.</p>

<p>Tony Shen Toronto, Ontario</p> <p>Principal Occupation For Last Five Years: President, TMWE Inc. (2014 to present)</p> <p>Director since: April 13, 2021</p> <p>Shares Held or Beneficially Owned⁽³⁾ 1,215,300⁽¹⁰⁾</p>	<p>Tony was Co-Chief Executive Officer, President and Chief Operating Officer at Aastra Technologies Limited until its eventual sale to Mitel Networks Corporation in 2014. At Aastra, Tony was fundamental to the integration strategy and responsible for the global operations of more than 2,000 employees around the world which resulted in the company to become one of the top global players in the enterprise communications market. He served on the board of directors of Aastra Technologies since 1996 until 2014 and subsequently, of Mitel Networks Corporation until 2015. Tony holds a Bachelor of Applied Science (Engineering Physics) from the University of Toronto</p>
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Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Corporate Governance and Compensation Committee
- (3) Information as to shares beneficially owned, directly or indirectly, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (4) Also holds options entitling the holder to acquire 39,000 common shares.
- (5) Also holds options entitling the holder to acquire 320,560 common shares.
- (6) Also holds options entitling the holder to acquire 20,000 common shares.
- (7) Also holds options entitling the holder to acquire 20,000 common shares.
- (8) Also holds options entitling the holder to acquire 20,000 common shares.
- (9) Also holds options entitling the holder to acquire 20,000 common shares.
- (10) Also holds options entitling the holder to acquire 20,000 common shares.

The following table sets out the details of the Named Executive Officers (“NEO”) of the Company that are not also a director of the Company:

<p>Brian Goffenberg Toronto, Ontario</p> <p>Principal Occupation For Last Five Years: Chief Financial Officer and EVP, Vitalhub Corp. (2016 to present) Chief Financial Officer and EVP, Medworxx Inc. (2011 to 2016)</p> <p>Shares Held or Beneficially Owned (1) 826,114 (2)</p>	<p>Chief Financial Officer and Executive Vice President</p> <p>Bio: Mr. Goffenberg has expertise in financial management of information technology firms, including Medworxx Solutions Inc., Philips Lifeline, DWL Incorporated and Delrina Corporation, both before and after its 1995 sale to Symantec Corporation. He has served as a financial partner and business advocate within a varied scope of organizations –and has served in leadership roles throughout trajectories of up to triple revenue growth. In addition to certification from the Canadian Institute of Chartered Accountants, Brian holds Bachelor degrees in Commerce and Accounting from University of the Witwatersrand, Johannesburg, South Africa.</p>
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<p>Robert Lazar Toronto, Ontario, Canada</p> <p>Principal Occupation for Last Five Years: Executive Vice-President of Professional Services and Customer, Vitalhub Corp. (2017 to present) CEO and Co-Founder, B Sharp Technologies Inc. (1998 to 2017)</p> <p>Shares Held or Beneficially Owned (1) 435,000 (3)</p>	<p>EVP Professional Services and Support</p> <p>Bio: As Executive Vice-President of Professional Services and Customer Care Mr. Lazar’s focus is on ensuring all professional services are delivered on time, on budget and with the highest level of customer satisfaction. The professional services team is responsible to provide pre-sales support, solution implementation, project management, and training. In addition to project implementations Mr. Lazar is responsible to lead the Customer Care team in providing exemplary customer support services. Mr. Lazar brings 30 years of experience of working in the IT sector. Most recently Mr. Lazar served as the CEO and co-founder, along with Vijit Coomara, of B Sharp Technologies and developed their B Care healthcare solution. Along with the B Care healthcare product development and commercialization, Mr. Lazar lead custom development projects for Sony Music in NYC and Rodale, Inc headquartered in Pennsylvania. Prior to B Sharp, Mr. Lazar worked as an independent IT consultant with Agora Food Merchants, a \$6 billion Canadian grocery distributor and retailer. Mr. Lazar also worked in the financial services sector as an IT manager responsible for application development. He began his career at PC DOCS International as a programmer/analyst, eventually moving to the role of project manager. Mr. Lazar holds a Bachelor of Business Administration degree from the University of Wisconsin-Eau Claire.</p>
<p>Vijit Coomara Toronto, Ontario</p> <p>Principal Occupation For Last Five Years: Executive Vice-President of Product Development, Vitalhub Corp. (2017 to present) CTO, B Sharp Technologies Inc. (1998 to 2017)</p> <p>Shares Held or Beneficially Owned (1) 230,000 (4)</p>	<p>EVP Product Development</p> <p>Bio: As Executive Vice-President of Product Development, Vijit Coomara is responsible for providing guidance to VitaHub’s research and development teams, towards the continued evolution and integration of VitalHub’s many different product platforms. In addition to transforming the specifications developed by the sales & marketing team into the software delivered to VitalHub customers, the R & D team constantly explores how various technologies can be used to capture, organize, and present relevant health information about patients at the point of care. Most recently Vijit served as the CTO of B Sharp Technologies from 1998 to 2017 where he led the development of large custom applications in domains such as Publishing, Entertainment, Retail and Gaming, eventually settling on managing a Health Information Systems (HIS) product suite called B Care. Vijit's extensive technical experience began during eight years at PC DOCS group International in Toronto as technical lead for several custom development projects, including an electronic health records system to support 10 tertiary Ontario psychiatric hospitals. Vijit then became an independent consultant in the United States, where he worked on distribution and shipping systems at Motorola, procurement systems at AT&T, and lottery systems at GTECH Corporation. Vijit holds a Bachelor of Computer Science degree from the University of Toronto. He founded B Sharp Technologies Inc. with Robert Lazar.</p>

<p>Niels Tofting Toronto, Ontario</p> <p>Principal Occupation For Last Five Years: EVP, Sales and Marketing, Vitalhub Corp. (2017 to Present) VP, Sales, Logibec (2016 to 2017) SVP, Sales and Business Development, Medworxx Inc. (2009 to 2016)</p> <p>Shares Held or Beneficially Owned (1) 214,312 (5)</p>	<p>EVP, Business Development & Marketing</p> <p>Bio: Niels joined VitalHub in 2017 as executive vice president of business development and marketing to lead VitalHub's efforts to develop a scalable and effective sales and marketing model for our expanding solution portfolio. Niels has been responsible for overseeing our global expansion and supporting the successful integration of our acquisitions to drive organic growth. Niels has more than 20 years of experience in the software industry and has held a variety of senior sales and marketing roles at Corechange (acquired), OpenText, Medworxx (acquired) and Logibec. Significantly, he has led teams responsible for marketing, account management, new business development and partner management that have scaled internationally. Niels holds an Honours Bachelor of Environmental Studies from the School of Planning at the University of Waterloo and has completed international studies at Oxford Brookes University.</p>
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Notes:

- (1) Information as to shares beneficially owned, directly or indirectly, not being within the knowledge of the Company, has been furnished by the respective directors individually
- (2) Also holds options entitling the holder to acquire 237,144 common shares.
- (3) Also holds options entitling the holder to acquire 60,000 common shares.
- (4) Also holds options entitling the holder to acquire 60,000 common shares.
- (5) Also holds options entitling the holder to acquire 125,000 common shares.

10. Corporate Cease Trade Orders or Bankruptcies

Other than as set forth below, to the knowledge of the Company, as at the date of this AIF and within the ten years before the date of this AIF, no director or officer or proposed director is or has been a director or officer of any company (including the Company) that while that person was acting in that capacity:

- (a) was the subject of a cease trade order or similar order or an order that denied the other issuer access to any exemptions under applicable securities law, for a period of more than 30 consecutive days; or
- (b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Chris Schnarr was a director and an officer of BioExx Specialty Proteins Ltd. and its subsidiaries ("**BioExx**") which was a reporting issuer listed on the Toronto Stock Exchange ("**TSX**"). Mr. Schnarr resigned from the board of directors and as an officer of BioExx and its subsidiaries on August 28, 2013. On October 1, 2013, BioExx commenced proceedings under the *Companies' Creditors Arrangement Act* (Canada). On the same date the trading of BioExx's shares on the TSX was halted and on November 6, 2013 the shares of BioExx were delisted from the TSX.

11. Penalties or Sanctions

To the knowledge of the Company, no proposed director or officer of the Company (other than as disclosed below) has:

- (a) been subject to any penalties or sanctions imposed by a court relating to securities legislation by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable security holder making a decision about investing in the Company.

Pursuant to the terms of a settlement agreement dated December 17, 2001 between Mr. Roger Dent, a director of the Company, and the Ontario Securities Commission, Mr. Dent received a reprimand and agreed to pay a penalty of \$50,000 plus \$10,000 in costs to the Ontario Securities Commission in connection with certain trades in which he was involved while in a conflict of interest position as a result of being an officer and director of Yorkton Securities Inc.

12. Personal Bankruptcies

To the knowledge of the Company, no director or officer, or a personal holding company of any of them, has, within the ten years prior to the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver manager or trustee appointed to hold the assets of that individual.

13. **Conflicts of Interest**

To the knowledge of the Company, no proposed or current director, officer or promoter of the Company has any existing or potential material conflicts of interests as a result of their outside business interests.

14. **Legal Proceedings and Regulatory Actions**

There are no material pending legal proceedings or regulatory actions to which either the Company, is, or, so far as management of the Company is aware, is likely to be, a party.

15. **Interest of Management and Others in Material Transactions**

In the three most recently completed financial years and during the current financial year, there have been no transactions that have materially affected or that are reasonably expected to materially affect the Company with any of the following:

- (a) a director or executive officer;
- (b) a person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10 percent of any class or series of the outstanding voting securities, and
- (c) an associate or affiliate of any of the persons or companies referred to in paragraphs (a) and (b) above.

16. **Transfer Agent**

The Company's transfer agent is TSX Trust Company located at 100 Adelaide St. W., #301, Toronto, Ontario, M5H 1S3.

17. **Material Contracts**

No material contract outside the ordinary course of business was entered into by the Company within the last fiscal year.

18. **Experts**

The Company's auditor is MNP LLP, Chartered Professional Accountants, Licensed Public Accountants ("MNP") located at 111 Richmond Street West, Suite 300, Toronto, ON M5H 2G4. MNP have prepared an independent auditor's report dated March 23, 2023 in respect of the Company's consolidated financial statements with accompanying notes as at and for the year ended December 31, 2022. MNP has advised that they are independent to the Company within the meaning of the Rules of Professional conduct of the Institute of Chartered Accountants.

Interests of Experts

None of the aforementioned persons or companies, nor any director, officer or employee of any of the aforementioned persons or companies, is or is expected to be elected, appointed or employed as a director, officer, or employee of the Company, or of any Associate or Affiliate of the Company.

19. **Additional Information**

Additional information relating to the Company is available under the profile of the Company on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) which can be accessed at www.sedar.com.

Additional financial information is provided in the Company's annual consolidated financial statements and related MD&A as at and for the year ended December 31, 2022.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans will be included in the Company's management proxy circular for the year ended December 31, 2022, which is dated March 23, 2023 and is available under the profile of the Company at www.sedar.com.