

Conavi Medical Corp.

Management's Discussion and Analysis

For the three months ended December 31, 2025, and 2024

In thousands of Canadian dollars unless otherwise noted

This management's discussion and analysis ("MD&A") dated as of February 26, 2026 of financial position and results of operations of Conavi Medical Corp. ("Conavi" or the "Company") is prepared for the three months ended December 31, 2025 and December 31, 2024. This MD&A is supplemental to the Company's interim condensed consolidated financial statements for the three months ended December 31, 2025 and December 31, 2024 (the "Financial Statements"). The Financial Statements were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") applicable to the preparation of interim financial statements, including International Accounting Standard 34, Interim Financial Reporting.

This MD&A has been prepared with reference to National Instrument 51-102 – Continuous Disclosure Obligations. Additional information related to Conavi, including the annual information form of Conavi dated February 26, 2026 (the "AIF"), is available via SEDAR+ at www.sedarplus.ca.

This MD&A should be read in conjunction with the Financial Statements.

CAUTIONARY NOTE REGARDING FORWARD LOOKING INFORMATION

This MD&A contains forward-looking information. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "estimates", "intends", "anticipates", or "believes", or variations or negatives of such words and phrases or states that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance, or achievements of Conavi to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking information.

Examples of such statements include: the perceived benefits of Conavi's public offering for aggregate gross proceeds of \$20,000 qualified by way of a short form prospectus dated April 15, 2025 (the "April Prospectus", and such offering, the "April Offering"), statements concerning Conavi's public offering for gross proceeds of \$12,000 as disclosed in its amended and restated short form prospectus dated January 7, 2026 (the "January Prospectus", and such offering, the "January Offering"); use of proceeds of the April Offering and the January Offering and requirements for additional capital; the potential benefits of Conavi's products on patient care,

long-term outcomes for patients and healthcare costs; future results of current and anticipated products; business strategy of Conavi; prospective products of Conavi; Conavi product approvals; third-party reimbursement of Conavi's products; the effect of the April Offering and January Offering on Conavi and its business; the nature of Conavi's operations following the completion of the April Offering and the January Offering; sources of income of Conavi; certain combined operational and financial information; Conavi's business and business outlook following the completion of the April Offering and January Offering; Conavi's proposed budget and use of funds; compensation to be paid to the directors and officers of Conavi; plans and objectives of management for future operations; forecasts of capital expenditures and general and administrative expenses; future results of operations and financial position; expectations regarding the ability to raise capital; fluctuations in currency exchange rates; and anticipated operational and financial performance.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking information contained herein. Conavi has based these forward-looking statements largely on its current expectations and projections about future events and financial trends that may affect Conavi's business, financial condition and results of operations. These forward-looking statements speak only as of the date hereof and are subject to a number of risks, uncertainties and assumptions. Those assumptions and factors are based on information currently available to Conavi, including information obtained from third-party industry analysts and other third party sources. In some instances, material assumptions and factors are presented or discussed elsewhere in this document in connection with the statements or disclosure containing the forward-looking information. The following list of material factors and assumptions is not exhaustive. The factors and assumptions include, but are not limited to: the ability of Conavi to obtain necessary financing and manage risks; experiencing no material changes in the legislative and operating framework for the business of Conavi, experiencing no material adverse changes in the business of Conavi; risks regarding the current industry, market and economy generally; and in respect of Conavi, there being no significant disruptions affecting the ability to carry on business, whether due to pandemic outbreaks, labour disruptions, unanticipated expenses, operational or technical difficulties, risks of obtaining and renewing necessary licenses and permits, supply disruptions or otherwise.

Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified and some of which are beyond Conavi's control, readers should not rely on these forward-looking statements as predictions of future events. Such risks include, but are not limited to:

- the timing, progress, and results of any current or future products Conavi may develop;

- undesirable effects or other properties relating to the product candidates of Conavi that could delay or prevent their regulatory approval, limit their commercial potential, or result in significant negative consequences following any potential marketing approval;
- the ability of Conavi to establish or maintain future collaborations or strategic relationships or obtain additional funding;
- the failure of Conavi to demonstrate safety and efficacy of the products to the satisfaction of applicable regulatory authorities;
- the ability of Conavi to obtain and maintain regulatory approval of the Novasight Hybrid System (as defined below), and any other future products, and any related restrictions, limitations and/or warnings in the label of an approved product candidate;
- the intellectual property position of Conavi, including the scope of protection established and maintained for intellectual property rights covering the Novasight Hybrid System, and any additional products Conavi may develop, and Conavi's ability not to infringe, misappropriate, or otherwise violate any third-party intellectual property rights;
- the ability and the potential of Conavi to successfully manufacture products for commercial use;
- the ability of Conavi to successfully generate revenues or establish a consumable-based revenue model;
- the ability of Conavi to commercialize products in light of the intellectual property rights of others;
- the ability of Conavi to obtain funding for operations, including funding necessary to complete further development and commercialization of product candidates;
- the plans of Conavi to research, develop, and commercialize products;
- the ability of Conavi to attract collaborators with development, regulatory, and commercialization expertise;
- the size and growth potential of the markets for product candidates and Conavi's ability to serve those markets;
- the size and growth potential of Conavi and the ability of Conavi to effectively manage that growth;
- the rate and degree of market acceptance and clinical utility of the Novasight Hybrid System, and any future products, if approved;
- the pricing and reimbursement of the Novasight Hybrid System, and any future products, if approved;
- regulatory developments in the United States, Canada and foreign countries; the ability of the Conavi to comply with applicable provincial, Canadian, state and United States federal healthcare and health information privacy and security laws;
- the ability of Conavi to contract with third-party suppliers and manufacturers and their ability to perform adequately;

- the success of competing solutions that are or may become available;
- the ability of Conavi to retain the continued service of key professionals and to identify, hire, and retain additional qualified professionals;
- the accuracy of the estimates regarding expenses, future revenue, capital requirements, and needs for additional financing;
- the liquidity of the Conavi Shares (as defined below) and volatility in the market price; and
- the impact of laws, regulations and legislative reform including but not limited to trade tariffs.

The factors identified above are not intended to represent a complete list of the factors that could affect the Company. Additional factors are noted under the heading “*Risks & Uncertainties*” in this document, and under the heading “*Risk Factors*” in the AIF, the April Prospectus and the January Prospectus.

Should one or more of these risks or uncertainties materialize or should assumptions underlying the forward-looking information prove incorrect, actual results, performance or achievements may vary materially from those expressed or implied by the forward-looking information contained in this MD&A. These factors should be carefully considered, and readers are cautioned not to place undue reliance on forward-looking information, which speaks only as of the date of this MD&A. All subsequent forward-looking information attributable to Conavi herein is expressly qualified in its entirety by the cautionary statements contained or referred to herein. Conavi does not undertake any obligation to release publicly any revisions to this forward-looking information to reflect events or circumstances that occur after the date of this document or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

BUSINESS OVERVIEW

Conavi (TSXV: CNVI) is focused on designing, manufacturing, and marketing imaging technologies to guide common minimally invasive cardiovascular procedures. Its patented Novasight Hybrid™ System is the first system to combine both intravascular ultrasound (“IVUS”) and optical coherence tomography (“OCT”) imaging methods to enable simultaneous and co-registered imaging of coronary arteries. The Novasight Hybrid System (the “Novasight Hybrid System”) has 510(k) clearance from the U.S. Food and Drug Administration (the “FDA”); and regulatory approval for clinical use from Health Canada, China’s National Medical Products Administration, and Japan’s Ministry of Health, Labor and Welfare. A U.S. FDA 510(k) submission for the Novasight 3.0 was made in September 2025.

Pre-RTO Conavi (as defined below) was incorporated as Colibri Technologies Inc. in November 2007. It was founded by a team of clinicians and researchers based on intellectual property developed at Sunnybrook

Health Sciences Centre (“Sunnybrook”) in Toronto. In June 2008, Pre-RTO Conavi entered into an agreement with Sunnybrook (the “Sunnybrook Technology Licensing Agreement”) for the exclusive rights (globally, and for all fields of use) to the key enabling aspects of its unique solution to hybrid IVUS/OCT imaging technology. Pursuant to the Sunnybrook Technology Licensing Agreement, Pre-RTO Conavi (and now Conavi) agreed to pay a minimum annual royalty of \$50 (creditable against other royalties and fees payable to Sunnybrook under the Sunnybrook Technology Licensing Agreement), and a royalty of 1% of net sales (though Conavi and Sunnybrook have separately agreed that a 2% royalty shall instead apply on sales through certain distributors). The Sunnybrook Technology Licensing Agreement includes the right to grant sublicenses, and in the event of a sublicensing transaction, there is a sublicensing fee payable to Sunnybrook of 25% of the consideration received by the Company pursuant to the sublicensing transaction; or, if greater, 1% of the net sales of the sublicensee. Unless earlier terminated (in the case of certain insolvency events in respect of Conavi, or in the case of a material uncured breach by either party), the term of the Sunnybrook Technology Licensing Agreement runs until the expiration or invalidity of the last issued patent covered by the agreement. The issuance date of the last patent covered by the Sunnybrook Technology Licensing Agreement was August 6, 2024.

On March 17, 2024, Conavi Medical Inc. (previously named Colibri Technologies Inc.) (“Pre-RTO Conavi”) entered into a definitive amalgamation agreement (as amended, the “Amalgamation Agreement”) with Titan Medical Inc. (“Titan”) to combine the companies in an all-stock transaction. Conavi, the combined entity, will focus on continuing to commercialize the Novasight Hybrid System designed to guide common minimally invasive coronary procedures.

Under the terms of the Amalgamation Agreement, on October 11, 2024, 1000824255 Ontario Inc., a wholly-owned subsidiary of Titan, amalgamated with Pre-RTO Conavi and Pre-RTO Conavi shareholders received common shares of Titan (“Conavi Shares”). This transaction (the “Transaction”) constituted a reverse takeover of Titan and was carried out subject to the terms and conditions outlined in the Amalgamation Agreement.

The Transaction closed on October 11, 2024 and was approved by the TSX Venture Exchange (the “TSXV”), as well as the shareholders of Pre-RTO Conavi and Titan. In connection with closing of the Transaction, Titan changed its name to Conavi Medical Corp. In connection with the Transaction, Titan delisted its common shares from the Toronto Stock Exchange on October 15, 2024 (the “TSX”) and commenced trading on October 16, 2024 on the TSXV under the new symbol “CNVI”. Conavi Medical Corp. has been classified by the TSXV as a Tier 2 Technology issuer.

THE NOVASIGHT HYBRID SYSTEM

The first generation of the Novasight Hybrid system received US FDA 510(k) clearance in April 2018. At that time, the Company was unable to undertake a meaningful commercialization effort in the United States, due to a lack of resources and because it had obligations to strategic partners in other jurisdictions. Commercialization was further delayed due to the COVID-19 pandemic, which impacted procedural volumes and prevented Company representatives from physically entering the hospital to support procedures. In late 2021, Conavi resumed marketing the Novasight Hybrid system in North America, with a focus on the United States. Between late 2021 and October 2022, the system was used at five luminary academic sites in the United States, along with Sunnybrook Health Sciences Centre in Toronto. The clinical response was positive, however, the Company recognized that the manufacturability and performance of the first generation of the Novasight Hybrid system was not suitable for broad market adoption in the United States. Based on this clinical feedback, Conavi made certain changes and iterations to the first-generation version of the Novasight Hybrid system. The improved version has been used at a select number of sites in order to gain further feedback.

The Company is now exclusively focused on finalizing the development of the Novasight 3.0, intended to be a best-in-class hybrid IVUS/OCT intravascular imaging system. The Company intends for this next-generation system to offer the following features:

1. State of the art image quality - Conavi believes that its hybrid IVUS/OCT image quality must be at least as good as the highest quality standalone widely used competitors. The next-generation system is expected to offer high definition IVUS in the range of 60 MHz and improved OCT imaging depth relative to the current system;
2. Enhanced ease-of-use – Minimally invasive cardiovascular procedures are complex and involve many different tools and technologies, and therefore it is critical that any new imaging system or device easily and efficiently fits into the existing clinical workflow and practices. Development of Novasight 3.0 is focused on user comfort, ease of imaging interpretation and ease of operation such as removing the patient interface module (the connector between catheter and console) from the sterile field and other workflow enhancements such as a bedside controller, integrated artificial intelligence to aid doctors in visualization and assessment, and guided hybrid workflows;
3. Excellent catheter deliverability – Intravascular imaging catheters are inserted over guidewires and through guide catheters and advanced to the region of interest. Ideally, an intravascular imaging catheter should be able to navigate distal vessels, torturous anatomy, and cross difficult lesions (including the ability to cross stents). The Novasight 3.0 will feature a redesigned catheter shaft and

monorail to improve deliverability. It is also being designed to be 5F (1.67 mm) guide catheter compatible for IVUS-only use, whereas the current system is only 6F (2 mm) guide catheter compatible. Use of a smaller guide catheter (through which the guide wire, intravascular imaging catheter, and other catheters are inserted) is preferable for smaller patients; and,

4. Robust performance and manufacturing – Intravascular imaging systems are inherently complex consisting of hardware, software, mechanical and electrical components, which must seamlessly function together. Development of the Novasight 3.0 has focused on ensuring that it is appropriately robust and reliable and does not require servicing or repairs beyond what is standard and allowable. It is also important that the system be designed such that it is manufacturable at scale at an attractive gross margin, without custom or difficult to source components, overly tight tolerances, and specialized manual assembly skills. The next-generation system is being developed with these considerations in mind.

NEXT-GENERATION NOVASIGHT HYBRID SYSTEM

The development of the Novasight 3.0 has been a joint effort involving Conavi's internal research & development team along with well-known medical device contract engineering groups and specialized suppliers.

On November 21, 2022, Pre-RTO Conavi entered into an INOVAIT Ultimate Recipient Agreement (the "INOVAIT Agreement") with Sunnybrook and Dr. Brian Courtney pursuant to which Dr. Courtney (in his capacity as a principal investigator at Sunnybrook Research Institute) and Conavi are receiving up to a total of approximately \$2 million in grant funding from the INOVAIT program at Sunnybrook (approximately \$1.62 million of which has been allocated to and received by Conavi and approximately \$380,000 of which is allocated to Dr. Courtney) to collaborate on development of certain elements of the system. Pursuant to the INOVAIT Agreement, the INOVAIT program makes cash contributions to Conavi and to Dr. Courtney over the term of the INOVAIT Agreement, for up to one-third of the eligible costs (to the extent supported by the program's cost principles) necessary to carry out the project entitled "AI Solutions for Minimally Invasive Imaging Systems". A non-refundable fee of five percent of the funds provided to Conavi and Dr. Courtney under the INOVAIT Agreement is required to be paid back to Sunnybrook to support the INOVAIT program. In addition, over the course of the project, Conavi has paid approximately an additional \$270,000 to Dr. Courtney (in his capacity as principal investigator at Sunnybrook Research Institute) to fund costs of the project exceeding those supported by the INOVAIT program. The INOVAIT Agreement provides for a completion date of the project on June 30, 2026. The INOVAIT Agreement includes certain obligations of the Company to exploit, protect and enforce intellectual property generated pursuant to the project, and to maintain ownership of any intellectual property

generated by the project in Canada and to not exclusively license such intellectual property without the consent of the Canadian federal government.

A 510(k) submission to the US FDA was made in September 2025. Leading up to the submission, the Company finalized development of Novasight 3.0 including successful completion of catheter, software, and console design verification testing (DVT), along with system-level engineering confidence testing (ECT), and system-level DVT of the Novasight 3.0. The FDA submission of the Novasight 3.0 was for intravascular imaging of the coronary arteries indicated in patients who are candidates for transluminal interventional procedures.

Whereas the current version of the Novasight Hybrid System was manufactured by Conavi, the production of the next-generation Novasight Hybrid system will be outsourced, although, Conavi may manufacture certain sub-components for which it has proprietary know-how.

US commercial launch is currently targeted for the early calendar Q3 of 2026. The milestones in connection with achieving launch are finalizing the development and completing the transfer to production. Note that estimated remaining costs are calculated from the date of the MD&A.

Milestone	Estimated remaining costs	Description
Successful completion of the Novasight 3.0 validation testing with key opinion leaders in pre-clinical setting	\$0	Pre-clinical experiences with key opinion leaders were performed, where the protocol was to showcase all and the final functionality of the Novasight 3.0 system and to ask the key opinion leaders to validate usability. This was a critical milestone as it confirms that Novasight 3.0 has been successfully built to intent and all key customer specifications have been met. It validates market readiness and ensures that the Company has developed a competitive product suitable for routine clinical use. The Company undertook two successful experiments in July 2025 and this milestone has been completed.
Successful completion of catheter, software, and console design verification testing (DVT), along with system-level engineering confidence testing (ECT), and system-level DVT of the Novasight 3.0. Finalize development of the Novasight 3.0 and submit regulatory application to US FDA	\$0	DVT involves extensive testing to ensure a product meets its intended technical specifications and requirements. System-level testing provides confidence that the system-as-a-whole functions to its technical specifications and supports the validation work to ensure the product meets customer requirements. Results of this work was incorporated into our US FDA 510(k) submission and a submission was made in September 2025.
Transfer to production	\$4,100	Includes all work to transfer the product from the development stage to the production stage. Both the catheter and console production will be assigned to a third-party. Included in this is the manufacturing of pre-production units to support reliability studies, the purchase of inventory to support early production, and finalizing catheter and console design transfer packages. Transfer to production is expected to be completed to coincide with commercial launch in the US. The cost of this activity is higher than originally projected, mainly due to revised estimates from third parties.

PROPRIETARY PROTECTION AND LICENSING

Although IVUS and OCT are established technologies, the combination of both modalities onto a single system is novel. Conavi has developed novel means to manufacture low profile minimally invasive imaging devices and systems to support them.

Conavi (as Pre-RTO Conavi) was spun-out of Sunnybrook, and as part of the Sunnybrook Technology Licensing Agreement, has exclusive rights (globally, and for all fields of use) to the key enabling aspects of its unique solution to hybrid IVUS/OCT imaging technology. Pursuant to the Sunnybrook Technology Licensing Agreement, Conavi has agreed to pay a royalty on direct sales and a royalty on sales through distributors and a sublicensing fee, as applicable. The core patent for the Novasight Hybrid System was filed in 2008, being US8784321, plus B-17 a Continuation from this patent being US11147452 (International filing WO2008086613A1). In the primary market (the United States), this patent expires in 2030. In other jurisdictions, the patents expire in 2028.

Additional IP relevant to the hybrid imaging technology has been filed to further support this product application:

- Co-ordination of imaging with blood clearing apparatus (expiration 2031-2032) (Patent US9076202. Patent USRE49218E1)
- Means for reducing rotational distortion (expiration 2032) (Patent US9039626 and Continuation US10729376)
- Improvements in image quality by detecting and compensating for external noise (expiration 2038) (Patent US10482582, and Continuations US10902564, US11538137 and 11769230)
- Application specific catheters with imaging cores (expiration 2038) (Patent US11051761)

Additional IP filings are planned around novel methods of fabricating and assembling imaging cores, as well as means of improving clinical workflows.

Conavi's strategy has been to file all patents in the United States, with additional jurisdictions being considered in proportion to expected value in additional markets. Core patents are also filed in Japan, China, Europe, South Korea, India, Canada, Australia, and New Zealand. As it specifically relates to the Novasight Hybrid system, Conavi has proprietary protection on 10 patent families with 58 issued patents including continuations and divisional filings.

In addition to protection via patent and trademark protection, Conavi takes measures to protect key knowhow and trade secrets. All source code for software and firmware is hosted on physical servers that are located on-premises. These are protected via a firewall blocking all external traffic, except for VPN using multi-factor authentication. Access to source code is granted on an as-needed basis. Each source file has a copyright / confidential notice within it. During development, for suppliers that may produce custom components that include trade secrets, a non-disclosure agreement is executed prior to sharing designs / ordering components. For development efforts where it is anticipated protectable IP may be generated, an IP assignment agreement is put in place.

Novasight, Novasight Hybrid, Conavi (stylized), and its logo are registered trademarks in the United States and other jurisdictions. Trademark matters are handled by Marks & Clerk.

In June 2021, Conavi entered into a technology transfer and licensing agreement (“EOM Licensing Agreement”) with East Ocean Medical (Hong Kong) Company Limited (“EOM”) to enable it to develop and manufacture a version of the Novasight Hybrid system for sale exclusively in China. Source code and other aspects of our software were retained to prevent unauthorized development, manufacturing, or commercialization. Domestically manufactured products tend to benefit from more favourable reimbursement in China. EOM is an affiliate of China Grand Pharmaceutical Group (SEHK: 512). In December 2024, EOM received approval from the NMPA for a version of the Novasight Hybrid system. In consideration for the license, EOM was required to make milestone payments (prior to product approval in China) on successful completion of milestones and then a tiered royalty per sale (after product approval in China), ranging from 5.0%-10.0% to 75.0% of amounts invoiced to EOM coronary imaging system customers (subject to a minimum royalty per product sold), provided that EOM shall pay a minimum nonrefundable annual royalty of US \$250,000, which shall be creditable against the royalties otherwise due. All milestones were achieved and all the corresponding milestone payments were paid, totalling \$19,061, of which \$10,703 were used to fund the repurchase of the Class E Preferred Shares of Pre-RTO Conavi and a further \$8,358 was used to fund the repurchase of a promissory note. EOM also purchases certain components from Conavi at a mark-up which are used in the development and manufacture of its domestic product. Unless earlier terminated, the EOM Licensing Agreement will remain in effect for so long as EOM is researching, developing, manufacturing, commercializing or otherwise using the licensed products. The EOM Licensing Agreement is terminable by each party for a material uncured breach of the other party or certain insolvency events of the other party.

ACHIEVEMENTS AND HIGHLIGHTS IN THE THREE MONTHS ENDED DECEMBER 31, 2025

On October 29, 2025, the Company announced an agreement with the Province of Ontario to provide up to \$2,500 to Conavi as part of the Life Sciences Scale-Up Fund. The funds will be used to support the commercial launch of the Novasight Hybrid System.

On November 3, 2025, Conavi appointed Mark Quick as Chief Financial Officer. Stefano Picone, who was previously the Chief Financial Officer, was appointed Chief Strategy Officer in a transitional capacity. Mr. Picone's transitional role with the Company ended on December 24, 2025.

On November 21, 2025, the Company announced that it had filed a preliminary short form prospectus with the securities regulatory authorities in the Provinces of British Columbia, Alberta, and Ontario in connection with an offering of common shares of the Company and/or pre-funded warrants of the Company.

On December 18, 2025, the Company announced the pricing of the public offering of common shares and/or pre-funded warrants of the Company.

SUBSEQUENT EVENTS

On January 13, 2026, the Company closed the January Offering for aggregate gross proceeds of \$12,000. Under the January Offering, subscribers purchased Conavi Shares at \$0.45 per Conavi Share. Investors purchased a total of 26,666,670 common shares for gross proceeds of \$12,000.

On February 25, 2026 the Company entered a share for debt settlement arrangement with MaRS Investment Accelerator Fund Inc. The company settled the debt by issuing 75,000 common shares for the outstanding balance of \$270 at December 31, 2025.

SUMMARIZED QUARTERLY INFORMATION

The following table presents a summary of the Company's quarterly results of operations for each of its last eight quarters.

	Q1 - 2026	Q4 - 2025	Q3 - 2025	Q2 - 2025
Licensing and R&D services revenue	218	368	63	63
Product Revenue	—	(1)	—	(5)
Total revenue	218	367	63	58
Cost of sales	—	33	1	(87)
Operating expenses	5,362	5,419	4,691	5,552
Net loss	2,705	6,795	3,561	3,125
Basic and diluted loss per share	0.04	0.12	0.05	0.07
Total assets	9,839	12,443	17,693	6,816
Total non-current financial liabilities	16,887	18,000	18,394	18,982
	Q1 - 2025	Q4 - 2024	Q3 - 2024	Q2 - 2024
Licensing and R&D services revenue	8,392	34	34	34
Product Revenue	242	447	367	555
Total revenue	8,634	481	401	589
Cost of sales	1,548	445	459	613
Operating expenses	6,817	6,258	8,838	5,989
Net loss	7,035	16,087	13,028	7,109
Basic and diluted loss per share	0.18	3.89	3.08	1.15
Total assets	11,567	8,561	10,476	12,412
Total non-current financial liabilities	18,333	61,115	57,947	56,723

The net loss for the current period is fairly consistent with Q2 2025 and Q3 2025. The net loss for these periods are lower compared to other quarters as a result of decreased spending for third party contract engineering work and gain from the change in fair value warrant liability. The net loss for Q3 2024 and Q4 2024 was substantially higher as a result of higher research and development costs and the change in fair value of the 18% and 10% secured convertible notes issued by Pre-RTO Conavi. In August 2022, the Company initiated the development of the Novasight 3.0. As part of this, it initiated work with third party contract engineering groups that led to significant R&D expenses. These costs continued into 2024 but have dropped significantly as development is nearing completion. In relation to the convertible notes, pre-RTO raised gross proceeds of \$8,194 between May and August 2024 (these convertible notes converted into Conavi Shares and investor warrants upon closing of the Transaction). This accounted for approximately \$9,303 of the increase in loss between Q3 2024 to Q4 2024.

Revenue from product sales increased substantially in FY2024 as a result of approval of the Novasight system in China and first shipments to EOM. Increase in licensing revenue in Q1 2025 corresponds to a milestone payment made under the EOM Licensing Agreement.

Novasight 2.0 had a high manufacturing cost due to limited volumes and cost of sales were generally equal to total revenue. The increase in cost of sales in Q1 2025 relates to the change in inventory provision due to estimated net realizable value below cost in the amount of \$1,232. This inventory relates to the first-generation Novasight Hybrid system and the Company has shifted its focus to the Novasight 3.0 in the current quarter. The decrease in cost of sales from Q2 2025 to Q1 2026 relates to no product sales to customers and the change in inventory provision as a result of inventory scrapped for internal testing.

RESULTS OF OPERATIONS

The following is a discussion of the results for the three months ended December 31, 2025, as compared to the three months ended December 31, 2024:

	December 31, 2025	December 31, 2024
Licensing and R&D services revenue	\$ 218	8,392
Product revenues	—	242
	<u>218</u>	<u>8,634</u>
Cost of sales	—	1,548
Gross profit	<u>218</u>	<u>7,086</u>
Research and development	2,387	4,654
General and administrative	2,433	1,722
Depreciation and amortization	186	209
Other expenses	356	232
Operating loss (income)	<u>5,144</u>	<u>(269)</u>
Net finance costs (income)	(1,068)	10,785
Change in fair value of warrant liability	(1,371)	(8,468)
Listing expense	—	4,987
Net loss	<u>2,705</u>	<u>7,035</u>
Basic and diluted loss per common share	0.04	0.18

Three months ended December 31, 2025

For the three months ended December 31, 2025, the Company recorded a loss of \$2,705, a decrease of \$4,330 compared to \$7,035 for the three months ended December 31, 2024. This is primarily attributable to the decrease in net finance costs by \$11,853, listing expense related to the Transaction in Q1 2025 of \$4,987, and decreased R&D spending by \$2,267. This movement is offset by a decrease in the gain from the change in the fair value of the warrant liability of \$7,097 and gross profit by \$6,868. Licensing revenue was higher in Q1 2025 in relation to a milestone payment received from EOM under the EOM Licensing Agreement of \$8,358.

Product and licensing and R&D services revenue

Conavi has derived revenue from the following sources:

- Sales of the Novasight Hybrid System in Canada and the United States. The Novasight Hybrid System consists of a console and catheter. Currently, consoles are provided at no-charge in consideration for hospitals agreeing to purchase catheters. All sales in the United States are through Conavi Medical US, Inc., which is Conavi's wholly owned US subsidiary.
- Following regulatory approval by National Medical Product Administration in China in August 2023, sales of the Novasight Hybrid System for clinical use in China pursuant to a distribution agreement entered into between Pre-RTO Conavi and EOM in November 2017 (the "EOM Distribution Agreement") that enables EOM to supply the Novasight Hybrid system in China, Hong Kong, Taiwan, and Macau.
- Sales of components to EOM as part of the EOM Licensing Agreement, to support development and commercialization.
- Licensing and R&D services revenue resulting from the achievement of milestones in connection with the EOM Licensing Agreement. Licensing income also results from the amortization of deferred revenue resulting from a fair value adjustment related to the original investment made by EOM in connection with the EOM Distribution Agreement and EOM Licensing Agreement.

Product and licensing and R&D services revenue for the three months ended December 31, 2025, totaled \$218 compared to \$8,634 for the three months ended December 31, 2024. The composition of the revenue is shown below:

	December 31, 2025	December 31, 2024
	(Three months ended)	(Three months ended)
Revenue streams		
Product revenues	\$—	\$242
Licensing and R&D services revenue	\$218	\$8,392
Total revenue	\$218	\$8,634

The Company had limited commercial activity within North America in both Q1 2026 and Q1 2025, as it was focused on obtaining market feedback and input related to the first generation Novasight Hybrid system to inform the development of the Novasight 3.0. The majority of the product revenue earned in 2025 was earned from sales to EOM, including product to support regulatory approval and components to support pilot builds as part of the technology transfer & licensing agreement.

During the three months ended December 31, 2025 the Company recognized \$218 (three months ended December 31, 2025 - \$8,392) in licensing and R&D services revenue attributable to the distribution agreement and the technology transfer and licensing agreement, including minimum royalties.

Licensing and R&D services revenue in 2025 was primarily attributable to milestone fees recognized on milestones achieved pursuant to the technology transfer and licensing agreement with EOM. These included the NMPA submission and approval for the Novasight Hybrid system in China. On December 6, 2024, the China National Medical Products Administration approved EOM's coronary imaging system which triggered a fourth and final milestone payment by EOM to Conavi under the EOM Licensing Agreement. Included in licensing and R&D services revenue are the total proceeds of the milestone payment to repurchase the outstanding principal plus accrued interest balance in respect of a promissory note owing to EOM for a total consideration of \$8,358.

Cost of sales

Cost of sales for the three months ended December 31, 2025, totaled \$nil compared to \$1,548 for the same period in prior year. Included in cost of sales was a change in inventory provision of \$nil (December 31, 2024 - \$1,232) that was recognized for estimated inventory net realizable value below cost. In 2025, the Company earned limited margin on catheter sales in North America and product sales to EOM to support regulatory activity, and sale of technology transfer components is based on a cost-plus model.

Operating expenses

Operating expenses for the three months ended December 31, 2025 totaled \$5,362, compared to \$6,817 for the prior comparative period. Operating expenses are comprised of research and development (R&D) costs, general and administrative expenses (which also includes sales & marketing), depreciation and amortization and other expenses.

Research and development

The primary focus of our R&D costs for the three months ended December 31, 2025, was the testing and development of the Novasight 3.0.

For the three months ended December 31, 2025, the Company incurred total R&D costs of \$2,387, a decrease of \$2,267 compared to \$4,654 in the prior comparative period. Total R&D costs in the three months ended December 31, 2025 comprised of \$1,761 of external R&D expenses (including third-party engineering groups, supplies, contractors, materials and other) (December 31, 2024 - \$3,525) and \$1,132 of salaries and benefits

relating to research, development and manufacturing (December 31, 2024 - \$1,192) net of government assistance of \$436 (December 31, 2024 - \$(1)) and investment tax credit recovery of \$70 (December 31, 2024 - \$64). The decrease in total R&D costs in Q1 2026 reflects the costs of the development of the Novasight 3.0 and the engagement of third-party contract engineering and development firms for this initiative. The majority of contracting work was completed prior to Q1 2026.

The components of R&D expenses exceeding 20% of the total balance are as follows:

	December 31, 2025 (Three months ended)	December 31, 2024 (Three months ended)
Salaries and benefits	\$1,132	\$1,192
Third-party engineering costs	\$1,484	\$2,924

General and administrative

General and administrative (“G&A”) expenses for the three months ended December 31, 2025 totaled \$2,433 compared to \$1,722 for the comparative period. The increase is largely attributable to G&A salaries and benefits, which increased by \$353 from \$480 in Q1 2025 compared to \$833 in Q1 2026, resulting from the severance payments for employee departures. Further increases in G&A expenses relate to payments for investor relations and capital markets advisory by \$238 and stock-based compensation expense by \$169. Several contracts for investor relations and capital markets advisory began after Q1 2025 and a substantial amount of stock options were granted to employees after Q1 2025.

The components of G&A exceeding 20% of the total balance are as follows:

	December 31, 2025 (Three months ended)	December 31, 2024 (Three months ended)
Salaries and benefits	\$833	\$480
Business development, marketing, and directors' fees	\$528	\$247

Net finance costs

Net finance costs decreased by \$11,853 to \$(1,068) during the three months ended December 31, 2025, compared to \$10,785 during the three months ended December 31, 2024. The majority of this movement relates to the interest and accretion expense, which decreased by \$10,743 to \$329 during the three months ended December 31, 2025 (December 31, 2024 - \$11,072). The high interest and accretion cost in Q1 2025 is

attributable to the acceleration of interest upon the conversion of the preferred shares of Pre-RTO Conavi to Conavi Shares as a result of the Transaction.

FINANCIAL POSITION

Assets

Cash and cash equivalents decreased by \$4,870 from \$5,841 as of September 30, 2025 to \$971 as of December 31, 2025. The Company did not close on the next round of financing until Q2 2026, thus the decrease is related to cash used in operations.

Accounts receivable and other receivables decreased by \$26 to \$381 at December 31, 2025, compared to \$407 at September 30, 2025 due to rent received on a subleased unit.

Prepaid expenses, supplier deposits and other assets increased by \$1,648 to \$3,063 at December 31, 2025, compared to \$1,415 at September 30, 2025 due to materials purchased and held at third parties for the development of the Novasight Hybrid System.

Liabilities

Accounts payable and accrued liabilities increased by \$2,042 to \$4,947 at December 31, 2025, compared to \$2,905 at September 30, 2025. During the period, the Company managed its cash resources by deferring certain vendor payments until after the completion of the next financing.

Shareholders' Deficiency

Contributed surplus increased by \$234 to \$16,466 at December 31, 2025, compared to \$16,232 at September 30, 2025. Increase in contributed surplus corresponds to the stock-based compensation expense recognized in Q1 2026.

Increase in the deficit by \$2,705 corresponds to the net loss as a result of various factors, as discussed above.

LIQUIDITY AND CAPITAL RESOURCES

Since its inception, Conavi has financed its operations primarily through the issuance of securities, along with investment tax credits, government funding, interest income and a limited amount of product revenue. Given the Company's history of continuing losses and its accumulated deficit, revenues will need to grow and substantially increase over a sustained period if the Company is to progress through development to a sustainable business model. The Company aims to be in a position to do so following the launch of the Novasight 3.0; however there can be no assurance that the Company's efforts will be successful.

On April 23, 2025, the Company closed the April Offering. The proceeds of the April Offering were intended to enable the Company to achieve the following critical product development and business milestones. The first was successful completion of catheter and software DVT. DVT ensures that the product is built to meet technical specifications and is a key requirement as part of our US FDA 510(k) submission. The first milestone was completed in May 2025. The second milestone was the completion of console DVT (which was completed in May 2025), along with completion of a system-level engineering confidence test ("ECT") (which was completed in June 2025). System-level ECT is necessary to proceed to a system-level DVT, which was the final stage of testing before the Company could complete its US FDA 510(k) submission. The third milestone was successful completion of Novasight 3.0 validation testing with key opinion leaders in multiple pre-clinical experiments, which was completed in July 2025. The fourth milestone was the submission of the US FDA 510(k) application, which required the successful completion of the first three milestones (which was completed in September 2025). The fifth milestone was to complete a transfer to production as part of a commercial launch. Transfer to production includes the manufacture of pre-production units to support reliability studies, and the purchase of inventory to support early production. Completing the transfer to production is required to enable the Company to have product available for clinical use at early adopter hospitals in the United States following FDA 510(k) clearance. This milestone is ongoing as of the date of this MD&A. Lastly, the Company was planning to invest in marketing efforts to highlight the clinical utility of combined intravascular ultrasound and optical coherence tomography. A case report was submitted in July 2025.

Conavi's anticipated use of proceeds from the April Offering as set out in the April Prospectus as compared to the Company's actual use of proceeds up to December 31, 2025 are set forth in the table below:

	Planned Use of Proceeds	Actual Use of Proceeds
Offering (Gross Proceeds Raised)	\$ 20,000	\$ 20,000
Cost of Financing (e.g. Commission, Fees)	\$ 1,700	\$ 1,563
Net Proceeds Raised	<u>\$ 18,300</u>	<u>\$ 18,437</u>
Finalizing the development of Novasight 3.0	\$ 4,700	\$ 5,981
Novasight 3.0 transfer to production	\$ 4,000	\$ 3,363
General, administrative & insurance	\$ 2,100	\$ 2,722
Sales & marketing	\$ 3,100	\$ 541
Investor relations	\$ 190	\$ 806
Debt repayments	\$ 480	\$ 486
Working capital & general corporate purposes	\$ 3,730	\$ 4,093
	<u>\$ 18,300</u>	<u>\$ 17,992</u>

Subsequent to the April Offering, it was determined that the cost of finalizing development of Novasight 3.0, along with completing the transfer to production, would cost more than originally projected. This was due to upward revised estimates from third-party contract engineering firms, along with certain further product changes and enhancements that the Company felt would be necessary to best position it for commercial success. Notwithstanding, the milestones and objectives referenced in the April Prospectus were completed or are on track.

The Financial Statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities as they come due and in the normal course of business for the foreseeable future. The Company does not yet generate sufficient cash flow from operations to meet its planned growth and to fund development activities. The Company relies on funding from outside sources to execute its current and future business development plans. As part of this, the Company is dependent on the willingness of investors or strategic partners to continue to invest in the Company. The success of the Company is dependent on its product development and obtaining adequate funding through a combination of financing activities and profitable commercial operations. These circumstances lead to significant doubt about the ability of the Company to continue as a going concern and, accordingly, the ultimate use of accounting principles applicable to a going concern. The Financial Statements do not reflect the adjustments to the carrying values of assets and liabilities to their recoverable amounts or the reported expenses and consolidated balance sheet classifications that would be necessary if the going concern assumption were inappropriate, and these adjustments could be material.

The Company incurred a net loss of \$2,705 for the three months ended December 31, 2025 and reported a deficit of \$169,706 as at December 31, 2025. In addition, cash used in operating activities was \$4,240 for the

three months ended December 31, 2025. The Company had \$971 in cash and cash equivalents as at December 31, 2025.

Notwithstanding the additional funds raised from the January Offering, the Company will still need to secure further financing in order to meet its requirements for funding its planned research, development and operating activities. These circumstances lead to significant doubt about the ability of the Company to continue as a going concern and, accordingly, the ultimate use of accounting principles applicable to a going concern. The Company is developing a next-generation version of its Novasight Hybrid System, which it anticipates commercially launching in the United States in Q3 of fiscal year 2026 subject to regulatory approval. This system is anticipated to have a much lower cost of goods sold than the first generation system, which, if achieved, would contribute to operating cash flow. In addition, management is working towards obtaining additional financing from new and existing strategic partners and shareholders in order to continue to develop and bring the Company's products to market, so as to generate revenue and achieve positive cash flows from operations. However, there is no assurance these initiatives will be successful or sufficient.

The Company had \$971 in cash and cash equivalents as of December 31, 2025, down from \$5,841 at September 30, 2024. During the three months ended December 31, 2025, the Company had negative cashflow from operations of \$4,240 (December 31, 2024 - \$8,718), cash used in investing totaled \$145 (December 31, 2024 - inflow of \$3,710) and financing activities used \$485 (December 31, 2024 - provided \$9,662).

The Company invests its cash in daily interest accounts at chartered banks and a short-term investment portfolio in Canada. The Company also has a non-interest-bearing account in the US.

Working capital deficit decreased by \$3,862 from a \$58 surplus at September 30, 2025 to a working capital deficit of \$3,804 at December 31, 2025. The decrease is mainly a result of cash used in operations and a decrease in financing activities. The Company generated net proceeds of \$10,092 from the concurrent private placement of subscription receipts that took place in connection with the closing of the Transaction in Q1 2025 and \$nil in Q1 2026. Accounts payable increased from \$2,905 at September 30, 2025 to \$4,947 at September 30, 2025. Subsequent to quarter-end, the Company raised \$12,000 of gross proceeds through issuance of equity securities to investors with the closing of the January Offering. Management is working towards obtaining additional financing from new and existing strategic partners and shareholders to continue to develop and bring the Company's products to market in order to generate positive cash flows from operations.

Before working capital changes, cash flows used in operations were \$4,870 during the three months ended December 31, 2025, compared with \$7,532 during the three months ended December 31, 2024. The decrease

in cash used in operations is due primarily to the decrease in research and development activities as discussed above. Working capital changes provided \$630 during the three months ended December 31, 2025, compared to \$1,186 used during the three months ended December 31, 2024.

Cash used in investing activities was \$145 during the three months ended December 31, 2025, including \$30 on capital expenditures related to property and equipment and \$115 on patent costs. Cash provided from investing activities was \$3,710 during the three months ended December 31, 2024, which is primarily due to \$3,753 of cash generated from the Transaction.

Cash outflows from financing activities were \$485 during the three months ended December 31, 2025 compared to an inflow of \$9,662 during the three months ended December 31, 2024. During the three months ended December 31, 2024, the Company generated net proceeds of \$10,092 from the Concurrent Financing.

The Company has incurred losses and generated negative cash flows from operations since inception. As at December 31, 2025, the Company had an accumulated deficit of \$169,706. The Company continues to finance operations by seeking financing where possible, however there can be no assurance that such funding will be available at all or on terms acceptable to the Company in the future.

The Company has outstanding approximately \$14,729 senior secured loan facilities with Japan Lifeline Company Limited (the "Japan Lifeline Debt Facility"). The Japan Lifeline Debt Facility is secured by substantially all of Conavi's assets with a first priority security interest, including, but not limited to, its owned intellectual property. The agreements relating to the debt facility contain various affirmative and negative covenants, including restrictions on: liens, indebtedness and dispositions; changes in name, location, executive office, fiscal year or business; mergers or acquisitions; restricted payments; and investments and transactions with Affiliates. In addition, the Japan Lifeline Debt Facility matures on April 30, 2027, and Conavi must apply 50% of its positive cash flow from operations in each fiscal year to the repayment of the Japan Lifeline Debt Facility. The Company was required to, in good faith, use commercially reasonable efforts to refinance the indebtedness by December 1, 2025. While the Company continues to use commercially reasonable efforts to pursue non-dilutive sources of capital for the Company that could assist in refinancing the indebtedness, the refinancing has not been completed, and based on the Company's current assessment of market conditions and available refinancing terms, the Company does not currently expect to complete a refinancing of the indebtedness in the near-term. If Conavi breaches any of the covenants under the Japan Lifeline Debt Facility or is unable to make payments when due under the Japan Lifeline Debt Facility, its debt obligations under the debt facilities may be accelerated and the lender could foreclose on the collateral securing the debt facilities. On December 6, 2024, the China National Medical Products Administration approved EOM's coronary imaging system which triggered a fourth and final milestone payment by EOM to Conavi. The Company

used the total proceeds of the milestone payment to repurchase the outstanding principal plus accrued interest balance in respect of a promissory note owing to EOM for a total consideration of \$8,358.

Other indebtedness includes (i) non-interest bearing repayable contributions owing to the Federal Economic Development Agency of Southern Ontario totaling \$2,026, (ii) loan owing to Southern Ontario Fund for Investment in innovation in the amount of \$388 that bears interest at 10% per annum and is secured against all assets of the Company but subordinated to the Japan Lifeline Debt Facility, (iii) performance-based loan owing to MaRS Investment Accelerator Fund Inc. with a balance of \$270 that bears simple interest at 3.8%.

COMMITMENTS AND CONTRACTUAL OBLIGATIONS

License Agreement

The Company has entered into the Sunnybrook Technology Licensing Agreement under which it licenses certain intellectual property and has the right to develop and commercialize certain intellectual property. The agreement requires the Company to pay a minimum annual royalty of \$50, and a royalty of 1% of net sales (though Conavi and Sunnybrook have separately agreed that a 2% royalty shall instead apply on sales through certain distributors). In addition, in the event of a sub-licensing transaction, there is a sub-licensing fee payable to Sunnybrook of 25% of the consideration received by the Company pursuant to the sublicensing transaction; or, if greater, 1% of the net sales of the sublicensee. During the three months ended December 31, 2025, \$13 was recorded in relation to the minimum annual royalty requirement (December 31, 2024 - \$13).

Claims and legal actions

In the normal course of operations, the Company may be subject to litigation. When appropriate, management will record a provision while it actively pursues its position. When it is the opinion of management that the likelihood and measurability of the potential liability are not determinable, no provision will be recorded. As at December 31, 2025, \$nil was recorded in relation to legal claims (September 30, 2025 - \$nil).

Indemnifications

All directors of the Company are indemnified by the Company for various items including, but not limited to, all costs to settle lawsuits or actions due to their association with the Company, subject to certain restrictions. The Company has purchased directors' and officers' liability insurance to mitigate the cost of any potential

future lawsuits or actions. The term of the indemnification is the maximum extent permitted by applicable law, but is limited to events for the period during which the indemnified party served as a director or officer of the Company. In the event of a claim, the maximum amount of any potential future payment cannot be reasonably estimated but could have a material adverse effect on the Company.

The Company has also indemnified certain third parties in relation to certain debt and equity offerings and their respective affiliates and directors, officers, employees, shareholders, partners, advisers and agents and each other person, if any, controlling any of the third parties or their affiliates against certain liabilities.

OFF-BALANCE SHEET ARRANGEMENTS

The Company does not have any off-balance sheet arrangements.

OUTSTANDING SHARES

The following table summarizes the outstanding share capital of the Company as of February 26, 2026:

Type of Securities	Number of Conavi Shares issued or issuable upon conversion
Common Shares	103,416,756
Stock options	7,813,609
Equity warrants*	20,339,299
Pre-Funded Warrants	17,500,000

* Includes 16,226,713 investor warrants issued pursuant to the concurrent private placement of subscription receipts that took place in connection with closing of the Transaction in Q1 2025, as well as pursuant to the conversion of the 18% and 10% secured convertible notes issued by Pre-RTO Conavi. These warrants are a financial liability, although, under no circumstance is there an obligation that these be settled through the payment of cash.

DIVIDENDS AND DIVIDEND POLICY

The Company has not declared nor paid cash dividends on the Conavi Shares. It currently intends to retain its future earnings, if any, to fund the development and growth of its business, and does not anticipate paying any cash dividends on the Conavi Shares in the near future.

RELATED PARTY TRANSACTIONS

For the three months ended December 31, 2025, there were no related party transactions other than for the payment of and accruals for compensation to key management personnel of the Company in the ordinary course of business.

CRITICAL ACCOUNTING ESTIMATES OR JUDGEMENTS

The Transaction

The Transaction constituted a reverse acquisition by Pre-RTO Conavi of the Company, a non-operating public enterprise. The Company, the accounting acquiree, did not meet the definition of a business under IFRS 3-Business Combinations and therefore the Transaction did not qualify as a business combination. Pre-RTO Conavi is deemed to have issued equity to the holders of the equity interests of the Company. Consequently, the Transaction is accounted for as a continuation of the consolidated financial statements of Pre-RTO Conavi, together with a deemed issuance on October 11, 2024 of Conavi Shares, restricted share units, share options and warrants by the resulting company for the net assets and the listing status of the Company, accounted for in accordance with IFRS 2, Share Based Payments. The identifiable assets and liabilities of the Company were recognized at fair value as at October 11, 2024, with the excess of the fair value of net assets over the fair value of equity interest issued charged to the consolidated statements of loss and comprehensive loss as a listing expense.

October 11, 2024	\$
Cash and cash equivalents	3,753
Prepaid expenses and supplier deposits	244
Income taxes receivable	100
Accounts payable and accrued liabilities	(1,811)
Lease liabilities	<u>(1,123)</u>
	1,163
Less: Total share consideration	<u>6,150</u>
Listing expense	<u><u>(4,987)</u></u>
Shares received:	\$
Fair value of 4,707,587 Titan Medical Inc. common shares	6,150
Fair value of 83,801 Titan Medical Inc. stock options	—
Fair value of 131,593 Titan Medical Inc. warrants	<u>—</u>
Total consideration	<u><u>6,150</u></u>

FUTURE ACCOUNTING PRONOUNCEMENTS

At the date of authorization of these interim condensed consolidated financial statements, the Company had not applied the following new and revised IFRS Accounting Standards that are not yet effective.

- Amendments to IFRS 9, Financial instruments and IFRS 7, Financial instruments: Disclosures

The IASB has issued classification and measurement and disclosure amendments to IFRS 9 and IFRS 7 with an effective date for years beginning on or after January 1, 2026 with earlier application permitted. The amendments clarify the date of recognition and derecognition of some financial assets and liabilities and introduce a new exception for some financial liabilities settled through an electronic payment system. Other changes include a clarification of the requirements when assessing whether a financial asset meets the solely payments of principal and interest criteria and new disclosures for certain instruments with contractual terms that can change cash flows (including instruments where cash flows changes are linked to environment, social or governance (ESG) targets).

The Company has not yet commenced the evaluation of the impact of these amendments.

- New accounting standard IFRS 18, Presentation and disclosure in financial statements

IFRS 18, Presentation and Disclosure in Financial Statements (IFRS 18) will provide new presentation and disclosure requirements and replace IAS 1, Presentation of Financial Statements. IFRS 18 introduces changes to the structure of the income statement; provides required disclosures in financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements; and provides enhanced principles on aggregation and disaggregation in financial statements. Many other existing principles in IAS 1 have been maintained. IFRS 18 is effective for years beginning on or after January 1, 2027, with earlier application permitted.

The Company has not yet commenced the evaluation of the impact of the new standard

FINANCIAL INSTRUMENTS

At December 31, 2025, the Company's principal financial liabilities comprise accounts payable and accrued liabilities, loans payable, lease liabilities, and warrant liability. The main purpose of these financial liabilities is to finance the Company's operations. At December 31, 2025, the Company's principal financial assets include accounts receivable and other receivables and cash and cash equivalents. The Company is exposed to liquidity

risk, interest rate risk, foreign currency risk and credit risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken.

RISKS & UNCERTAINTIES

For a detailed description of risk factors associated with the Company, refer to the "Risk Factors" section of the AIF, along with the April Prospectus and the January Prospectus, which are available on SEDAR+ at www.sedarplus.ca, as well as the other information described elsewhere in this document.

Economic conditions (including inflation and prevailing interest rates) affecting the Company, its operations, plans and its ability to raise financing may be adversely affected in subsequent fiscal periods as a result of current and future geopolitical events, including as a result of risks and uncertainties surrounding potential regulatory changes or the establishment of protectionist measures, such as the imposition of tariffs or modifications to free trade agreements. In addition, the Company is exposed to a variety of financial risks in the normal course of operations, including risks relating to cash flows from operations, liquidity, capital reserves, market rate fluctuations and internal controls over financial reporting.

Additional risks and uncertainties not presently known to the Company or that the Company believes to be immaterial may also adversely affect the Company's business. If any such risks occur, the Company's business, financial condition and results of operations could be seriously harmed. Further, if the Company fails to meet the expectations of the public market in any given period, the market price of the Conavi Shares could decline.