LifeSpeak Inc.

Management’s Discussion and Analysis

for the three and six months ended June 30, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Basis of Presentation

As used in this management's discussion and analysis ("MD&A"), unless the context indicates or requires otherwise, all references to the "Company", "LifeSpeak", "we", "us" or "our" refer to LifeSpeak Inc. together with our subsidiaries, on a consolidated basis as constituted on June 30, 2023. Please refer to the section "*Meaning of Certain Terms*" in this MD&A for definitions of capitalized terms.

This MD&A has been prepared for the three and six months ended June 30, 2023 and 2022 and discusses the Company's financial performance, business overview, strategy and outlook from management's viewpoint. This MD&A should be read in its entirety and is intended to complement and supplement, and should be read with, the Company's unaudited condensed consolidated interim financial statements, along with the related notes thereto for the three and six months ended June 30, 2023 and 2022 ("Financial Statements") as well as with the Company's audited annual consolidated financial statements and the related notes thereto for the years ended December 31, 2022 and 2021. The financial information presented in this MD&A is derived from the Financial Statements which have been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRS applicable to the preparation of interim financial statements, including IAS 34, as issued by the International Accounting Standards Board ("IASB"). Additional information about the Company, including its annual information form ("AIF") are available under our profile on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

All dollar amounts in this MD&A are in Canadian dollars unless otherwise stated. All percentages are calculated using the rounded numbers as they appear in the tables.

This MD&A is dated as of August 9, 2023.

Forward-Looking Information

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities laws. Such forward-looking information includes, but is not limited to, information with respect to our objectives and the strategies to achieve these objectives, as well as information with respect to our beliefs, plans, expectations, anticipations, estimates and intentions. This forward-looking information is identified by the use of terms and phrases such as "forecast", "target", "goal", "may", "might", "will", "could", "expect", "anticipate", "estimate", "intend", "plan", "indicate", "seek", "believe", "predict", or "likely", or the negative of these terms, or other similar expressions intended to identify forward-looking statements, including references to assumptions, although not all forward-looking information contains these terms and phrases. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding possible future events or circumstances.

This forward-looking information includes, among other things, statements relating to: expectations regarding industry trends, overall market growth rates and our growth rates and growth strategies; our geographic growth in Canada, the United States and Europe; the growth of our sales team; addressable markets for our solution; growing demand for digitally-delivered wellbeing resources and prioritization of health technology solutions; our ability to use our technology to enhance and expand our products and services; expectations regarding our revenue and the revenue generation potential of our solution; our business plans, objectives, strategies; our pursuit of acquisitions; and our ability to meet our future financial obligations. Particularly, information regarding the Company's expectations of future results, performance, synergies, achievements, prospects or opportunities or the markets in which we operate, statements regarding the use of the proceeds of the loan advance from the credit agreement with Beedie, the interest that will accrue under the loan, the repayment of certain amounts owed under the loan (including the form of

repayment) and future common share issuances to satisfy amounts owed under the loan is forward-looking information.

This forward-looking information and other forward-looking information are based on our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. These opinions, estimates and assumptions include, but are not limited to, the following: our ability to build our market share and enter new geographies; the total available market for our products; our ability to retain key personnel; our ability to maintain and expand geographic scope; our ability to execute on our expansion plans; our ability to continue investing in infrastructure to support our growth and brand recognition; our ability to integrate our acquisitions; our ability to continue maintaining and enhancing our technological infrastructure and functionality of our platform; our ability to obtain financing on acceptable terms; the ability of the Company to satisfy its obligations in the form anticipated when due; the average contract sizes in respect of future enterprise clients and embedded solutions clients will align with our recent historical experiences; the size of clients we continue to pursue will be similar in size or larger than our historical clients; the impact of competition; the changes and trends in our industry or the global economy; and changes in laws, rules, regulations, and global standards.

Forward-looking information is necessarily based on a number of opinions, estimates and assumptions that we considered appropriate and reasonable as of the date such statements are made, and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to the risk factors described in greater detail under "*Risk Factors*" in the AIF and those relating to:

- our ability to execute our growth strategies;
- the addressable markets for our services;
- expectations regarding the revenue generation potential of our services;
- our business plans and strategies;
- the Company's ability to operate its business and effectively manage its growth under evolving macroeconomic conditions, such as high inflation and recessionary environments;
- an economic slowdown causing a decline in demand for our solutions;
- our expectations regarding certain of our future results, including, among others, revenue, expenses, sales growth, expenditures, operations and use of future cash flow;
- our ability to execute on our strategic growth priorities and to successfully integrate acquisition targets; and
- our competitive position in our industry.

If any of these risks or uncertainties materializes, or if the opinions, estimates, or assumptions underlying the forward-looking information prove incorrect, actual results or future events might vary materially from those anticipated in the forward-looking information. The risks, uncertainties, opinions, estimates, and assumptions referred to above and described in greater detail in "*Risk Factors*" in the AIF should be considered carefully by prospective investors.

Although we have attempted to identify important risk factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other risk factors not currently known to us or that we currently believe are not material that could also cause actual results or future events to differ materially from those

expressed in such forward-looking information. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, prospective investors should not place undue reliance on forward-looking information. The forward-looking information contained in this MD&A represents our expectations as of the date of this MD&A (or as the date it is otherwise stated to be made) and is subject to change after such date. However, we disclaim any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable Canadian securities laws.

Cautionary Note Regarding Non-IFRS Measures, non-IFRS Ratios and Key Performance Indicators

This MD&A makes reference to certain non-IFRS measures and key performance indicators. These measures are not standardized financial measures under IFRS as issued by the IASB and do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of our results of operations from management's perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. We use non-IFRS measures, including "**EBITDA**", "**Adjusted EBITDA**", "**Adjusted Net Income (Loss)**", and the non-IFRS ratios, including "**Adjusted earnings (loss) per share – basic**", "**Adjusted earnings (loss) per share – diluted**" and "**Adjusted EBITDA Margin**". This MD&A also makes reference to "**Annual Recurring Revenue**" or "**ARR**", "**Net Dollar Retention Rate**", "**Number of Clients**" and "**Logo Retention Rate**", which are key performance indicators used in our industry. These non-IFRS measures, non-IFRS ratios and key performance indicators are used to provide investors with supplemental measures of our operating performance and liquidity and thus highlight trends in our business that may not otherwise be apparent when relying solely on IFRS measures. The Company also believes that securities analysts, investors, and other interested parties frequently use non-IFRS measures, non-IFRS ratios and key performance indicators in the evaluation of issuers. The Company's management also uses non-IFRS measures, non-IFRS ratios and key performance indicators in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts, and to determine components of management and executive compensation. The key performance indicators used by the Company may be calculated in a manner different than similar key performance indicators used by other companies.

Non-IFRS Measures[1] and Non-IFRS Ratios

"**Adjusted earnings (loss) per share** – **basic**" is defined as Adjusted Net Income (Loss) divided by the weighted average number of shares outstanding – basic for the relevant period.

"**Adjusted earnings (loss) per share** – **diluted**" is defined as Adjusted Net Income (Loss) divided by the weighted average number of shares outstanding – diluted for the relevant period.

"**Adjusted EBITDA**" is defined as EBITDA before acquisition and other costs, share based compensation, foreign exchange loss (gain), impairment of goodwill, changes in fair value of contingent consideration, synergies realized and additional one time items. These non-cash and non-recurring costs are independent events which are non-recurring in nature and incurred over several financial periods.

"**Adjusted EBITDA Margin**" is calculated as Adjusted EBITDA divided by revenue for the relevant period.

"**Adjusted Net Income (Loss)**" is defined as net income (loss) before acquisition and other costs, share based compensation, foreign exchange loss (gain), impairment of goodwill, changes in fair value of contingent consideration, synergies realized and additional one time items. These non-cash and non-recurring costs are independent events which are non-recurring in nature and incurred over several financial periods.

[1] For a reconciliation of the non-IFRS financial measures see "*Non-IFRS Measures and Reconciliation of Non-IFRS Measures*".

“**EBITDA**” is defined as net income or loss before income tax expenses, finance costs and depreciation and amortization.

Key Performance Indicators

“**Annual Recurring Revenue**” or “**ARR**” is equal to the annualized value of contracted recurring revenue from all clients of our platform at the date being measured. Contracted recurring revenue is revenue generated from clients who are, as of the date being measured, party to contracts with LifeSpeak. Such revenue is annualized by: (i) in the case where a contract was in existence for the entire month, multiplying recognized revenue in the calendar month of the date measured by 12; and (ii) in the case where a contract was entered into mid-month, extrapolating recognized revenue at the date measured for the entire calendar month, and then multiplying by 12. Contract lengths typically range from one to three years and, based on our past experience, the vast majority of clients renew their contracts upon expiry. ARR is mainly comprised of revenue from enterprise and embedded solutions and includes revenue from small business and ancillary services (comprised of portals, kits and events purchased by our existing clients or distributed through our channel partners). ARR provides a consolidated measure by which we can monitor the longer-term trends in our business.

“embedded solutions client and other ARR” is ARR at a particular date attributable to our embedded solutions clients and ARR associated with clients who are not of sufficient size to be considered enterprise clients.

“**enterprise client ARR**” is ARR at a particular date attributable to enterprise clients.

“**Logo Retention Rate**” for a period is defined by considering a cohort of clients at the beginning of the period, and dividing the Number of Clients from that cohort at the end of the period, by the Number of Clients from that cohort at the beginning of the period. Logo Retention Rate provides a consolidated measure by which we can monitor the percentage of contracted clients retained every year.

“**Net Dollar Retention Rate**” for a period is defined by considering a cohort of clients at the beginning of the period, and dividing the ARR from enterprise and embedded solutions attributable to that cohort at the end of the period, by the ARR from enterprise and embedded solutions attributable to that cohort at the beginning of the period. Net Dollar Retention Rate provides a consolidated measure by which we can monitor the percentage of recurring ARR retained from existing clients. Net Dollar Retention Rate – Enterprise refers to Net Dollar Retention rate attributable to our Enterprise Clients.

“**Number of Clients**” is defined as the number of clients at the end of any particular period as the number of enterprise clients and clients of our embedded solutions for which the term of services has not ended, or with which we are negotiating contract renewal and which meet a minimum revenue threshold.

Business Overview

LifeSpeak is a leading software-as-a-service (“SaaS”) provider of whole-person wellbeing solutions for employers, health plans, and other organizations. LifeSpeak’s suite of digital solutions allows organizations to provide best-in-class content and expertise at scale, empowering individuals to live their healthiest lives. With a flexible portfolio of solutions, including LifeSpeak Mental Health & Resilience, LIFT session Fitness, ALAViDA Substance Use, Torchlight Parenting & Caregiving, and Wellbeats Wellness, LifeSpeak offers support across every pillar of wellbeing. Insights from LifeSpeak’s digital and data-driven solutions uncover gaps in wellbeing at the individual and organizational levels, ultimately enhancing workplace performance outcomes. We apply technology to the inter-connected worlds of mind and body wellbeing to help organizations improve their employees’, members’, and customers’ total wellbeing in a cost-effective and highly engaging manner. Our solutions include digital mental health learning resources; physical wellbeing resources; caregiver support resources; and digital cognitive behavioral therapy (“CBT”) health solutions for substance use disorders (“SUD”). Currently, we serve over 990 diverse clients globally, including Fortune 500 companies, government agencies, insurance providers and other health technology firms across

the globe. At its core, LifeSpeak aims to provide all educational content and technologies necessary to improve tools for other organizations to offer to their own customers. Our product verticals include:

- **Mental Health and Total Wellbeing**: Our curated content library offers digital educational resources including easily consumable videos, podcasts and articles developed by leading experts. Our mental health and total wellbeing educational solution serves as a first point of contact for individuals seeking educational resources to approach any issue they are facing, and as an early-stage preventative tool addressing a broad and deep range of topic areas from depression to stress management to financial health.

- **Physical Wellbeing resources**: Our digital fitness platform, delivered through our Wellbeats and LIFT session brands, is designed to promote employees' physical health by offering an on-demand workout library, automated and live sessions in areas including general fitness, mindfulness, cardio, strength, yoga, pre-natal, Pilates, and many more. In addition to physical fitness, our library contains nutrition support. Our physical wellbeing tools are designed to be inclusive of all abilities and skill levels.

- **Caregiver Support**: Our caregiving support platform, delivered through our Torchlight brand, offers step-by-step guidance on an array of caregiving topics to solve complex family challenges. Our expert content, caregiving knowledge base, one-on-one advising, and concierge services coalesce to reduce caregiver stress and improve outcomes regardless of age, stage, or concern.

- **SUD resources**: Our SUD treatment platform, delivered through our ALAViDA brand, provides on-demand substance use support through the privacy of an individual's smartphone and self-guided resources available anytime, anywhere. Individuals can easily access board-certified SUD physicians, medication-assisted therapy, assessments, personalized treatment plans, care coordination, and reporting.

Our technology is highly flexible, scalable and configurable to our clients' needs, and can be easily deployed on its own or seamlessly integrated with existing client software. This flexible and scalable nature of our solutions enables us to sell it directly through our (i) own sales force, (ii) referral channel partners, such as benefit and health providers, that both resell and cross-sell our platform and (iii) embedded solutions clients, such as insurance firms, that either integrate our platform into their existing offering or provide our platform as a specific add-on service. The end-users of our platform are generally employees of our clients secured by our direct sales force or though our referral partners, customers of our embedded solutions clients, and immediate family members of these users. Our overall solution encourages high user engagement, delivers our deep and broad content in a cost-effective scalable manner, and, we believe, inspires users to achieve their mental, physical and total wellbeing goals. In particular, we believe our mix of the following three attributes drives our client success:

- **Scalable technology.** We have a highly flexible, scalable and configurable platform that can be mass-customized to a particular client's needs. We strategically created a proprietary system that can be quickly configured by non-technical personnel. This approach enables us to deliver each of our clients their very own "tailored" version of our platform, which includes their choice of design, content and method of integration – what we call a client's "instance". As a result, our proprietary system can be configured to meet the needs of a diverse set of users and clients at scale, and is easily deployed either on its own, or in tandem with other programs.

- **Curated proprietary content.** We believe our proprietary library's depth and breadth of easily consumable content, including expert-led videos, is a key point of differentiation. Our highly engaging resources include videos, podcasts and articles, from experts that cover a wide scope of topics. This enables LifeSpeak to serve a diverse user base. Our key topic areas speak to all aspects of an individual's life.

- **Client services program.** Our client services team provides clients with dedicated assistance to launch our solution and perform ongoing proactive support. Our team ensures that we are able to weave LifeSpeak into the fabric of the client's mental health and total wellbeing program. In

addition to the day-to-day client support activities, our client services team also provides keen insights during the client renewal process and sells additional services during the contract term.

On July 6, 2021, the Company completed its Initial Public Offering ("IPO") and its shares began trading on the Toronto Stock Exchange "TSX" under the symbol "LSPK".

Summary of Factors Affecting our Performance

We believe that the growth and future success of our business depends on many factors, including those described below. While each of these factors presents significant opportunities for our business, they also pose important challenges, some of which are discussed below and under "*Risk Factors*" in the AIF.

Ability to Integrate Acquired Companies

The Company successfully acquired and integrated four companies in the past twenty months. The Company is of the view that the ability to continue to realize synergies and further integrate these companies with its existing technology platforms and management teams is critical for the future success of the Company.

Employer Healthcare Spending

According to the 2022 Willis Towers Watson Best Practices in Health Care Employee Survey (the "WTW Survey"), over the next three years, over two-thirds of employers surveyed (67%) reported that they will be prioritizing health technology solutions as they seek to support the 2 out of 5 employees who suffer from some form of anxiety or depression. Employers are striving to guide their employees toward more impactful and efficient care, and away from potentially wasteful legacy services. In particular, employers noted that they are focused on providing employees with apps and connected devices to help manage different health conditions including physical sickness and mental health related issues. The number of companies offering these types of tools has increased significantly, from 31% in 2019 to 68% in 2022, and this trend is expected to continue.

New and Developing Markets

LifeSpeak offers a globally applicable platform and has begun building the technology infrastructure to support multiple languages and interfaces. We have gained significant traction in the North American market (Canada and the U.S.) and have been receiving increased global demand for our solutions. Our platform navigation currently supports English, French and Spanish languages as well as subtitles for many other languages. Our near-term focus will be on continued expansion in Canada and the U.S. as well as select European countries, which will increase our addressable market. We have invested, and will continue to invest, in sales personnel in Europe.

Embedded Solutions Growth

A component of LifeSpeak's revenue growth strategy comes from growing sales of embedded solutions. Potential embedded solutions clients include employee health insurers, property and casualty insurers and EAPs each of which serve hundreds of thousands to millions of potential end-users. Our embedded solutions client model allows us to leverage the sales teams of other providers to expand LifeSpeak's offering into their client base. We have built a partnerships sales team to pursue partners for embedded solutions and cultivate relationships across the industry. Embedded solutions client opportunities follow a "land and expand" model, where revenues often start small and then reach full contract value over time.

Enterprise Growth

LifeSpeak primarily reaches new enterprise clients through our direct sales team and through partner relationships, either as a referral or reseller. Our product is easy to demonstrate through virtual product demonstrations and offers many relevant and relatable topics which allows for a direct sales model that resonates well with our clients. Our performance is impacted by our ability to renew contracts with existing clients. We are confident in our ability to

renew based on the utilization and employee engagement with our solution. We expect to continue to expand the sales team to capitalize on new opportunities.

Production Costs

We believe our depth and breadth of easily consumable content is a key point of differentiation and we intend to continue to produce and curate content to grow our library and ensure we maintain this differentiation. LifeSpeak compensates its leading experts and covers all production costs associated with content curation. Investments in production are important to ensure LifeSpeak's content remains relevant and covers a wide range of topics, and we have a full content production studio and team, allowing us to produce content at any time quickly and efficiently.

Sales Team and Employees

Our ability to achieve significant growth in future revenue will largely depend upon the effectiveness of our sales and marketing efforts, both in our domestic market and internationally. We have a diversified go-to-market strategy, and we believe the strength of our sales and marketing team is critical to our success. We have invested and intend to continue to invest in expanding our sales force, and we anticipate that our headcount and personnel-related expenses will continue to increase as a result of these investments, in advance of revenue growth.

Foreign Currency

The Company's functional and presentation currency is Canadian dollars. The functional currency for our subsidiaries is the local currency of the country in which the operations is located. Our results of operations are converted into our functional currency using the average foreign exchange rates for each period presented. As a result, our results of operations may be adversely impacted by an increase in the value of the Canadian dollar relative to the U.S. dollar and other foreign currencies.

Economic Activity

General economic conditions may affect our results of operations and financial condition. Demand for our products depends in large part upon the level of overall investment in wellness by many of our clients. Decreased operational spending could have an adverse effect on the demand for our platform, results of operations, cash flow and overall financial condition. In particular, we have experienced in certain instances, and we believe we will continue to experience, longer sales cycles or generally increased scrutiny on spending from existing and potential customers due to the current macroeconomic uncertainty. We cannot be certain how long these uncertain macroeconomic conditions and the resulting effects on our industry, our business strategy, and customers will persist. In addition to Foreign Currency risk, the business also has exposure to interest rates. In an inflationary environment both could impact operations. The Company is active in risk management in both areas.

Key Components of Results of Operations

Revenue

Our revenue is primarily generated from the sale of annual and multi-year platform subscriptions, which as of June 30, 2023 were sold to 996 clients around the world.

We currently generate revenue in three main ways:

1. Enterprise: Enterprise clients make up the largest number of our clients. We typically charge an annual subscription fee, with clients typically paying a flat fee enterprise subscription in a lump sum at the beginning of each program year, there are also some clients that prefer to pay a monthly subscription fee. Many of our enterprise clients have multi-year subscription contracts. Our sales to enterprise clients are typically generated in two ways, (i) direct sales, we generate sales from our own marketing efforts, in the form of direct calling, lead generation campaigns, and general branding, and (ii) resellers & channel referrals, we also generate sales through a network of resellers

and channel referral partners, such as brokers, health benefit providers, insurance companies, consultants, and others, who may sell to a client directly based on guidelines in an agreement between us and a reseller, or receive a commission for the introduction and assistance in the sale.

2. Embedded Solutions: When LifeSpeak is included in our embedded solutions clients' platform, they typically sell their product to an end consumer, our product is automatically included or provided as an add-on. Embedded solutions clients include EAPs, other health technology vendors, small business aggregators, insurance companies, and other third-parties looking to differentiate their online service. We typically invoice on a PMPM (per member per month) basis where the number of people with access to LifeSpeak in the past month drives the fee amount for that month. Many of our embedded solutions clients have multi-year subscription contracts ranging from one to three years, with the standard contract length being three years.

3. Upgrades: We generate revenue from existing clients as we charge fees for upgrades to more content, additional products (cross-sell), additional features, events, such as our "Mental Health Marathons", "Mindful Moments", live group sessions, and our "Virtual Rehab" program.

Content Development Costs

Content development costs consist primarily of content curation costs such as video production costs and delivery costs, speakers and expert remuneration, translation costs and telecommunication costs, as it relates to the resources on our platform.

Operating Expenses

Sales and Marketing

Sales and marketing expenses consist primarily of employee expenses and marketing expenses focused on business development. Other costs within sales and marketing expenses include tradeshows, conferences, commissions and travel related expenses.

General and Administrative

General and administrative expenses consist primarily of employee expenses in our corporate and client operations, finance, administrative, human resources and development teams. In addition, costs for account onboarding, management and reporting are included. Other costs within general and administrative expenses include professional fees, supplies, and other corporate expenses.

Share-based compensation

We grant stock options to our directors, officers and employees for performance of services, which are measured at fair market value at the time of the grant. In addition, we grant certain other share-based compensation such as restricted share units ("RSUs"). Share-based compensation expense is recognized over the vesting period, which is the period over which all the specified vesting conditions are satisfied.

Foreign exchange loss (gain)

Foreign exchange loss (gain) generally relates to the translation of monetary assets and liabilities denominated in foreign currencies being translated into Canadian dollars, our functional currency, at the foreign exchange rate applicable at the end of each period.

Amortization and Depreciation

Amortization and depreciation expense primarily relates to depreciation on property and equipment and amortization of right-of-use assets and intangible assets. Property and equipment are comprised of furniture and office equipment

and leasehold improvements. Right-of-use assets are comprised of capitalized leases. Intangible assets are comprised of acquired intangible assets.

Income Tax Recovery

Income tax recovery comprises current and deferred taxes. Current and deferred taxes are recognized in profit or loss except to the extent that they relate to a business combination, or items recognized directly in equity or in other comprehensive income (loss).

Other Expenses

Acquisition and Other Costs

Acquisition and other costs are comprised of a portion of the costs related to the entry into of the Company's pre-IPO credit agreement and costs related to recapitalization distributions and the investment by the Institutional Investors, costs and expenses in connection with the Company's IPO and related matters, costs and expenses in connection with the Company's acquisitions, costs related to the entry into, and amendment of from time to time, the Company's senior credit facility (for the purposes of calculating Adjusted EBITDA and Adjusted Net Income).

Finance expense

Finance expense is comprised primarily of interest incurred on lease obligations for our office in Toronto, interest on our credit facility, interest on our non-revolving term loan, bank fees and loss on modification of the term loan commitment.

Consolidated Business Highlights for the Three and Six Months Ended June 30, 2023

- Revenue for the three months ended June 30, 2023 was $13.2 million, an increase of $1.0 million or 8% compared to the three months ended June 30, 2022.

- Revenue for the six months ended June 30, 2023 was $26.6 million, an increase of $5.7 million or 27% compared to the six months ended June 30, 2022.

- Net loss was $6.3 million for the three months ended June 30, 2023 an increase from a net loss of $6 million compared to the equivalent period in the prior year. The increase for the three months ended June 30, 2023 is primarily due to an increase in financing expense and a foreign exchange loss offset by an increase in revenue and decrease in share based compensation costs.

- Net loss was $6.6 million for the six months ended June 30, 2023 a decrease from a net loss of $22.2 million compared to the equivalent period in the prior year. The decrease for the six months ended June 30, 2023 is primarily due to costs incurred in prior year related to acquisitions, and synergies identified during 2022, implemented throughout 2022 and 2023.

- ARR was $52.2 million as at June 30, 2023, an increase of 4% over the same date in 2022.

- Adjusted Net Loss for the three months ended June 30, 2023 was $2.0 million, a decrease of $550,000 compared to the three months ended June 30, 2022.

- Adjusted Net Loss for the six months ended June 30, 2023 was $3.6 million, an increase of $659,000 compared to the six months ended June 30, 2022.

- Adjusted EBITDA for the three months ended June 30, 2023 was $3.3 million, an increase of $924,000 compared to the three months ended June 30, 2022.

- Adjusted EBITDA for the six months ended June 30, 2023 was $7.0 million, an increase of $2.5 million compared to the six months ended June 30, 2022.

- We increased our number of total clients to 996, compared to 921 at the same time last year.

Operating Results Summary

The following table sets out a summary of our results of operations for the three and six months ended June 30, 2023:

(In thousands of Canadian dollars)

Selected Consolidated Financial Information	**Three Months Ended June 30,**		**Six Months Ended June 30,**	
	2023	**2022**	**2023**	**2022**
Revenue	13,164	12,139	26,560	20,849
Less:				
Content development costs	1,215	1,152	2,536	2,434
Gross Profit	11,949	10,987	24,024	18,415
Gross Profit Margin [1]				
Gross Profit Margin	91%	91%	90%	88%
Deduct Expenses:				
Sales and marketing	2,946	3,555	5,646	7,024
General and administrative	6,700	6,928	13,146	13,824
Share-based compensation	1,389	2,898	2,855	5,844
Foreign exchange (gain) loss	1,844	(1,253)	1,893	441
Amortization and depreciation	4,116	3,837	8,132	6,253
	16,995	15,965	31,674	33,386
Loss before undernoted	(5,046)	(4,978)	(7,651)	(14,970)
Acquisition and other costs [2]	-	970	-	7,750
Changes in fair value of on contingent consideration	13	(1,041)	(3,538)	(1,735)
Finance expense, net	2,469	1,634	4,664	2,871
Loss before income taxes	(7,528)	(6,540)	(8,776)	(23,856)
Income taxes recovery	(1,277)	(536)	(2,171)	(1,647)
Net Loss	**(6,251)**	**(6,004)**	**(6,605)**	**(22,209)**
Earning (loss) per share - basic	(0.12)	(0.12)	(0.13)	(0.44)
Earnings (loss) per share- diluted	(0.12)	(0.12)	(0.13)	(0.44)
Non-IFRS Measures				
EBITDA [3]	(943)	(1,069)	4,020	(14,731)
Adjusted EBITDA [4]	3,336	2,412	7,018	2,795
Adjusted Net Income (Loss) [5]	(1,972)	(2,523)	(3,607)	(4,683)
Adjusted earnings (loss) per share – basic [6]	(0.04)	(0.05)	(0.07)	(0.06)
Adjusted earnings (loss) per share – diluted [7]	(0.04)	(0.05)	(0.07)	(0.06)

Notes:

(1) Gross profit margin is calculated as gross profit divided by revenue for the relevant period.

(2) Acquisition and other costs are comprised of a portion of the costs related to the entry into of the Company's pre-IPO credit agreement and costs related to recapitalization distributions and the investment by the Institutional Investors, costs and expenses in connection with the Company's IPO and related matters and costs and expenses in connection with the Company's acquisitions (for the purposes of calculating Adjusted EBITDA and Adjusted Net Income).

(3) "**EBITDA**" has the meaning ascribed herein under "*Cautionary Note Regarding Non-IFRS Measures, Non-IFRS Ratios and Key Performance Indicators*".

(4) “**Adjusted EBITDA**” has the meaning ascribed herein under “*Cautionary Note Regarding Non-IFRS Measures, Non-IFRS Ratios and Key Performance Indicators*”.

(5) “**Adjusted Net Income (Loss)**” has the meaning ascribed herein under “*Cautionary Note Regarding Non-IFRS Measures, Non-IFRS Ratios and Key Performance Indicators*”.

(6) “**Adjusted earnings (loss) per share – basic**” has the meaning ascribed herein under “*Cautionary Note Regarding Non-IFRS Measures, Non-IFRS Ratios and Key Performance Indicators*”.

(7) “**Adjusted earnings (loss) per share – diluted**” has the meaning ascribed herein under “*Cautionary Note Regarding Non-IFRS Measures, Non-IFRS Ratios and Key Performance Indicators*”.

Analysis of the Three and Six Months Ended June 30, 2023 and 2022

Revenue

(*In thousands of Canadian dollars*)	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	**2022**	**2023**	**2022**
Revenue	13,164	12,139	26,560	20,849

Total revenue for the three months ended June 30, 2023 was $13.2 million, an increase of $1.0 million, or 8%, compared to the same period in 2022. Total revenue for the six months ended June 30, 2023 was $26.6 million, an increase of $5.7 million, or 27%, compared to the same period in 2022. The revenue increase was primarily attributable to an increase in new customer acquisitions and increased revenue related to the Wellbeats acquisition that closed in early 2022.

Content Development Costs

Total production development and content costs of $1.2 million for the three months ended June 30, 2023, which was consistent with the same period in 2022.

Total production development and content costs of $2.5 million for the six months ended June 30, 2023, increased by $103,000, compared to the same period in 2022. This increase was due to an increase in wages and employee benefits due to additional headcount from acquisitions, offset by synergies realized during 2022.

Gross Profit and Gross Profit Margin

(*In thousands of Canadian dollars*)	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	**2022**	**2023**	**2022**
Gross Profit and Gross Profit Margin				
Gross Profit	11,949	10,987	24,024	18,415
Gross Profit Margin [1]	91%	91%	90%	88%

Notes:

(1) Gross profit margin is calculated as gross profit divided by revenue for the relevant period.

Gross profit for the three months ended June 30, 2023 increased by $1.0 million, or 9%, to $11.9 million compared to $11.0 million for the same period in 2022. Gross profit margin for the three months ended June 30, 2023 was 91%, compared to 91% in 2022. The stability in gross profit is due to an increase in revenue of $1.0 million, and the continual investment in the Company’s content.

Gross profit for the six months ended June 30, 2023 increased by $5.6 million, or 30%, to $24.0 million compared to $18.4 million for the same period in 2022. Gross profit margin for the six months ended June 30, 2023 was 90%, compared to 88% in 2022. This increase in gross profit was primarily due to an increase in revenue of $5.7 million for the period, offset by the Company’s continued investment in its content.

Sales and Marketing

Sales and marketing expenses for the three months ended June 30, 2023 decreased by $608,000, or 17%, to $2.9 million compared to $3.6 million for the same period in 2022. Sales and marketing expenses for the six months ended June 30, 2023 decreased by $1.4 million, or 20%, to $5.6 million compared to $7.0 million for the same period in 2022. The decrease was primarily due to headcount synergies realized and reflected in the 2023 period.

General and Administrative

General and administrative expenses for the three months ended June 30, 2023 decreased by $229,000, to $6.7 million compared to $6.9 million for the same period in 2022. General and administrative expenses for the six months ended June 30, 2023 decreased by $677,000, to $13.1 million compared to $13.8 million for the same period in 2022. The Company continues to focus on managing costs, realizing synergies and streamlining processes which resulted in lower general and administrative costs.

Share-based compensation

Share-based compensation expenses decreased from $2.9 million to $1.4 million for the three months ended June 30, 2023 and decreased from $5.8 million to $2.9 million for the six months ended June 30, 2023 as compared to the equivalent periods in the prior year. As a private Company, we had a share option plan (the "Legacy Option Plan") for directors, officers and employees of the Company. In connection with the IPO on July 6, 2021, the Legacy Option Plan was amended such that no further awards could be made under the Legacy Option Plan and the Legacy Option Plan was terminated, with the holders of those legacy options exercising those options for shares, which shares were converted to common shares as part of the IPO. In connection with the IPO, the Company adopted an omnibus incentive plan (the "Omnibus Incentive Plan") which allows the Board of Directors to grant long-term equity-based awards, including share options. Shared-based compensation also includes the issuance of RSUs. See the "*Prior Sales*" section of the AIF.

Foreign exchange (gain) loss

Foreign exchange loss of $1.8 million for the three months ended June 30, 2023 increased by $3.1 million, compared to a foreign exchange gain of $1.3 million for the same period in 2022. Foreign exchange loss of $1.9 million for the six months ended June 30, 2023 increased by $1.5 million, compared to a foreign exchange loss of $441,000 for the same period in 2022. Foreign exchange loss (gain) primarily relates to translation of monetary assets and liabilities denominated in foreign currencies being translated into functional currencies at the foreign exchange rate applicable at the end of each period. The change in foreign exchange loss (gain) is primarily attributable to the change in Canadian dollar compared to the U.S. dollar for the periods presented.

Amortization and depreciation

Amortization and depreciation expense for the three months ended June 30, 2023, increased by $279,000, to $4.1 million, compared to $3.8 million for the same period in 2022. Amortization and depreciation expense for the six months ended June 30, 2023, increased by $1.9 million, to $8.1 million, compared to $6.3 for the same period in 2022. The increase was primarily due to the amortization of intangible assets from the acquisitions completed during Q1 of 2022 and depreciation of right-of-use assets from additional property leases acquired through acquisitions.

Acquisition and other costs

Acquisition and other costs for the three months ended June 30, 2023 decreased by $1.0 million, to $nil, compared to the same period in 2022. Acquisition and other costs for the six months ended June 30, 2023 decreased by $7.7 million, to $nil, compared to the same period in 2022. This expense is related to costs and expenses in connection with the Company's acquisitions (for the purposes of calculating Adjusted EBITDA and Adjusted Net Income).

Finance expense, net

Finance expense increased by $834,000 for the three months ended June 30, 2023, to $2.5 million compared to $1.6 million for the same period in 2022. Finance expense increased by $1.8 million for the six months ended June 30, 2023, to $4.7 million compared to $2.9 for the same period in 2022. The increase in expense is primarily related to interest payments on the senior term loan and revolving credit facility, coupled with rising interest rates during 2022 and 2023.

Net Income (Loss)

Net loss for the three months ended June 30, 2023 increased by $247,000, to a net loss of $6.3 million, compared to a net loss of $6.0 million for the same period in 2022. This increase is mainly due to the $3.1 million increase in foreign exchange loss, offset by a decrease in share-based compensation expense of $1.5 million and an increase in revenue of $1.0 million.

Net loss for the six months ended June 30, 2023 decreased by $15.6 million, to a net loss of $6.6 million, compared to a net loss of $22.2 million for the same period in 2022. The decrease in losses is attributable to increase in revenues, synergies realized across the Company and no acquisitions costs in 2023.

Summary of Quarterly Results

The following table sets forth selected unaudited quarterly statements of operations data of the eight quarters ended June 30, 2023. This data should be read in conjunction with our audited annual consolidated financial statements and related notes. These quarterly operating results are not necessarily indicative of our operating results for a full year or any future period.

Selected Consolidated Financial Information

	Three Months Ended [1]			
(*In thousands of Canadian dollars*)	**June 30, 2023**	**Mar 31, 2023**	**Dec 31, 2022**	**Sept 30, 2022**
Revenue	13,164	13,396	13,755	12,766
Content development costs	1,215	1,322	1,158	1,179
Operating expenses	9,646	9,147	9,772	9,147
Net income (loss)	(6,251)	(354)	(24,543)	(1,406)
Earnings (loss) per share – basic	(0.12)	(0.01)	(0.53)	(0.03)
Earnings (loss) per share – diluted	(0.12)	(0.01)	(0.53)	(0.03)

Selected Consolidated Financial Information

	Three Months Ended [1]			
(*In thousands of Canadian dollars*)	**June 30, 2022**	**Mar 31, 2022**	**Dec 31, 2021**	**Sept 30, 2021**
Revenue	12,139	8,710	6,838	5,921
Content development costs	1,152	1,282	888	671
Operating expenses	10,483	10,364	6,261	4,677
Net income (loss)	(6,004)	(16,205)	(6,846)	(20,076)
Earnings (loss) per share – basic	(0.12)	(0.33)	(0.20)	(0.43)
Earnings (loss) per share – diluted	(0.12)	(0.33)	(0.20)	(0.43)

Notes:

(1) Figures are derived from the Company's unaudited interim condensed consolidated financial statements for the three months ended March 31, 2023 and 2022, for the six months ended June 30, 2023 and 2022, the nine months ended September 30, 2022 and Fiscal 2022.

Revenue

Our total quarterly revenue increased sequentially for all periods presented, except for the March 31, 2023 and June 30, 2023 periods. Revenue growth was primarily attributable to revenue from new clients, revenue retention and up-selling from existing clients, and the addition of new clients through our acquisitions. The revenue decline for the

March 31, 2023 and June 30 2023 periods is primarily attributable to a greater loss of client revenue than was replaced from existing or new client revenue, and lower one-time revenue recognized in the periods subsequent to the quarter ended December 31, 2022, than was recognized in the quarter ended December 31, 2022.

Product Development and Content

Our total quarterly content development costs increased in conjunction with revenue for almost all periods presented, maintaining a gross profit margin of between 85% and 93%. The aggregate increase was primarily due to acquisitions and continued investment in our platforms to meet clients' requirements.

Operating expenses

Total operating expenses increased for each period presented except the quarters ended September 30, 2022 and March 31, 2023. Our operating expenses increased significantly for the three months ended March 31, 2022, following the acquisition of Wellbeats. During 2022 the Company managed costs by integrating the acquired entities, realizing synergies in both headcount and other expenses.

Key Performance Indicators

We monitor the following key performance indicators to help us evaluate our business, measure our performance, identify trends affecting our business, formulate business plans and make strategic decisions. Our key performance indicators may be calculated in a manner different than similar key performance indicators used by other companies.

(*In thousands of Canadian dollars*)	As at June 30,	As at June 30,	Change	
	2023	2022	$/#	%
Annual Recurring Revenue [(1)]	52,190	50,182	2,008	4%
Net Dollar Retention Rate	89%	76%	--	13%
Number of clients	997	921	76	8%
Logo retention rate	82%	89%	--	(7%)

Notes:
(1) Denominated in thousands of Canadian dollars.

Annual Recurring Revenue

ARR was $52.2 million as at June 30, 2023, an increase of $2.0 million, or 4%, compared to an ARR of $50.2 million as at June 30, 2022. This increase has primarily been driven by an increase in new enterprise customers and growth within the existing customer base. Of the $52.2 million of ARR reported, 67% originated from clients outside of Canada.

ARR was broken down as follows over the last five quarters:

(*In thousands of Canadian dollars*)	Q2-2022	Q3-2022	Q4-2022	Q1-2023	Q2-2023	Q2-2023 YoY Growth
Enterprise Client ARR………….......……..…………	41,015	43,065	43,860	44,824	44,035	7%
Embedded Solutions Clients & Other ARR…...............	9,167	9,088	8,978	8,488	8,155	(11%)
Total ARR……………………………..………..............	**50,182**	**52,153**	**52,838**	**53,312**	**52,190**	**4%**

Enterprise client ARR increased by 7% on an LTM basis, demonstrating the strength and continued growth of the core enterprise business.

Net Dollar Retention Rate

Consolidated Net Dollar Retention as at June 30, 2023 was 89% and compared to a Consolidated Net Dollar Retention Rate of 76% for the comparative period in 2022. Consolidated Net Dollar Retention increased primarily due to the reference period no longer being affected by the loss of the large embedded solutions client as first disclosed in the management discussion and analysis for the first quarter of 2022, offset by an increase in overall Enterprise client churn. Net Dollar Retention for Enterprise Clients was approximately 89% as at June 30, 2023, as compared to 98% for the comparative period in 2022. Enterprise Net Dollar Retention decreased primarily due to an increase in overall Enterprise Client churn, counteracted by cross-sell within the existing Enterprise Client base. As the cross-sell and up-sell efforts continue, the Company expects Net Dollar Retention Rate to increase as existing clients are sold additional products and services over time.

	As at June 30, 2023	As at June 30, 2022	Change %
Net Dollar Retention Rate - Enterprise.............	89%	98%	(9%)
Total Net Dollar Retention Rate....................	89%	76%	13%

Number of Clients

The Number of Clients as at June 30, 2023 was 996, representing an increase of 8% when compared with June 30, 2022. Growth in the number of clients has been primarily driven by an increased focus on employee wellbeing, the Company's ability to deploy quickly at an attractive price point and the addition of new clients through our acquisitions.

Number of Clients Breakdown

	Q2-2022	Q3-2022	Q4-2022	Q1-2023	Q2-2023	Q2-2023 YoY Growth
Total Enterprise Clients………………………………….	903	968	983	972	979	8%
Total Embedded Solutions Clients…. …………...………	18	19	19	18	17	(6%)
Total Number of Clients…………..…………...……….	**921**	**987**	**1,002**	**990**	**996**	**8%**

Logo Retention Rate

Logo Retention Rate for the last twelve months ended June 30, 2023 was 82%, compared to 89% for the comparable period in 2022. As retention is measured on an LTM basis, the lower Logo Retention Rate is primarily attributable to the loss of smaller client logos following the acquisition of Wellbeats, and an increase in overall Enterprise Client churn. Despite a lower Logo Retention Rate, new internal initiatives focused on cross-selling products to existing clients, and strong uptake to date in the opportunity to discuss multiproduct solutions with at-risk clients is trending positively, and new logo additions are, on average, larger on an ARR basis than those of logos being lost.

Non-IFRS Measures and Reconciliation of Non-IFRS Measures

EBITDA and Adjusted EBITDA

(In thousands of Canadian dollars)	**Three Months Ended June 30,**		**Six Months Ended June 30,**	
	2023	**2022**	**2023**	**2022**
Net income (loss)…………………………………………..…	(6,251)	(6,004)	(6,605)	(22,209)
Add:				
Amortization and depreciation expense………………..……	4,116	3,837	8,132	6,254
Finance expense……………………………………..……	2,469	1,634	4,664	2,871
Income tax expense (recovery)…………………………...	(1,277)	(536)	(2,171)	(1,647)
EBITDA [(1)] …………………………………………………	**(943)**	**(1,069)**	**4,020**	**(14,731)**
Add:				
Acquisition and other costs [(2)] ………………...……………	-	970	-	7,750
Share-based compensation…………………………………	1,390	2,898	2,856	5,844
Foreign exchange loss (gain)…………………………..……	1,844	(1,253)	1,893	441
Changes in fair value of contingent consideration………….	13	(1,041)	(3,538)	(1,735)
Synergies realized [(3)] …………..……………………………	299	1,218	537	1,938
Additional one-time costs [(4)] ...... ……………………………	733	691	1,250	3,288
Adjusted EBITDA [(5)]............... ……………………………	**3,336**	**2,414**	**7,018**	**2,795**
Adjusted EBITDA Margin [(6)] .... ……………………………	25%	20%	26%	13%

Notes:

(1) "**EBITDA**" has the meaning ascribed herein under "*Cautionary Note Regarding Non-IFRS Measures, Non-IFRS Ratios and Key Performance Indicators*".

(2) Acquisition and other costs are comprised of a portion of the costs related to the entry into of the Company's pre-IPO credit agreement and costs related to recapitalization distributions and the investment by the Institutional Investors, costs and expenses in connection with the Company's IPO and related matters and costs and expenses in connection with the Company's acquisitions, including potential transaction bonuses (for the purposes of calculating Adjusted EBITDA and Adjusted Net Income).

(3) Synergies realized relates to the impact of the full period of cost synergies related to the reduction of employees and professional services in relation to acquisitions.

(4) One-time costs related to IPO specific adjustments, acquisitions specific adjustments and transition costs related to the Wellbeats acquisition.

(5) "**Adjusted EBITDA**" has the meaning ascribed herein under "*Cautionary Note Regarding Non-IFRS Measures, Non-IFRS Ratios and Key Performance Indicators*".

(6) "**Adjusted EBITDA Margin**" has the meaning ascribed herein under "*Cautionary Note Regarding Non-IFRS Measures, Non-IFRS Ratios and Key Performance Indicators*".

For the three months ended June 30, 2023, Adjusted EBITDA increased by $924,000, to $3.3 million, compared to $2.4 million for the same period in 2022. This increase is mainly due to an increase in gross margin of $1.0 million, a decrease in sales and marketing expenses of $608,000, slightly offset by synergies realized in the prior period.

For the six months ended June 30, 2023, Adjusted EBITDA increased by $4.2 million, to $7.0 million, compared to $2.8 million for the same period in 2022. This increase is mainly due to the successful implementation of the cost cutting measures identified during the Company's strategic review of its cost base, as well as higher overall revenue.

Adjusted Net Income (Loss)

(In thousands of Canadian dollars)	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	**2022**	**2023**	**2022**
Net income (loss)…………………………………………	(6,251)	(6,004)	(6,605)	(22,209)
Add:				
Acquisition and other costs [(1)]… ……………………………	-	970	-	7,750
Share-based compensation…………………………………	1,390	2,898	2,856	5,844
Foreign exchange loss (gain)… ……………………………	1,844	(1,253)	1,893	441
Changes in fair value of contingent consideration	13	(1,041)	(3,538)	(1,735)
Synergies realized [(2)]………… ……………………………	299	1,218	537	1,938
Additional one-time costs [(3)]… ……………………………	733	691	1,250	3,288
Adjusted Net Income (Loss) [(4)] ……………………………	(1,972)	(2,523)	(3,607)	(4,683)
Adjusted earnings per share – basic [(5)]………………………	(0.04)	(0.05)	(0.07)	(0.09)
Adjusted earnings per share – diluted [(6)]……………………	(0.04)	(0.05)	(0.07)	(0.09)

Notes:

(1) Acquisition and other costs are comprised of a portion of the costs related to the entry into of the Company's pre-IPO credit agreement and costs related to recapitalization distributions and the investment by the Institutional Investors, costs and expenses in connection with the Company's IPO and related matters and costs and expenses in connection with the Company's acquisitions, including potential transaction bonuses (for the purposes of calculating Adjusted EBITDA and Adjusted Net Income).

(2) Synergies realized relates to the impact of the full period of cost synergies related to the reduction of employees and professional services in relation to acquisitions.

(3) One-time costs related to IPO specific adjustments, acquisitions specific adjustments and transition costs related to the Wellbeats acquisition.

(4) "**Adjusted Net Income (Loss)**" has the meaning ascribed herein under "*Cautionary Note Regarding Non-IFRS Measures and Key Performance Indicators*."

(5) "**Adjusted earnings (loss) per share – basic**" has the meaning ascribed herein under "*Cautionary Note Regarding Non-IFRS Measures, Non-IFRS Ratios and Key Performance Indicators*".

(6) "**Adjusted earnings (loss) per share – diluted**" has the meaning ascribed herein under "*Cautionary Note Regarding Non-IFRS Measures, Non-IFRS Ratios and Key Performance Indicators*".

For the three months ended June 30, 2023, Adjusted Net Loss decreased by $550,000, to an adjusted net loss of $2.0 million, compared to an adjusted net income of $2.5 million for the same period in 2022. This decrease is mainly due to an increase in gross margin of $1.0 million, a decrease in sales and marketing expenses of $608,000, negatively offset by an increase in financing expense of $834,000 and positively offset by synergies realized in the prior period.

For the six months ended June 30, 2023, Adjusted Net Loss increased by $1,076,296, to an Adjusted Net Loss of $3.6 million, compared to an Adjusted Net Loss of $4.7 million for the same period in 2022. This increase is mainly due to an increase in amortization expense of $1.9 million, and increase in financing expense of $1.8 million, a number of synergies and one-time costs incurred during the prior period offset by an increase in revenue.

Liquidity and Capital Resources

Overview

The Company believes it has sufficient liquidity to support continued operations and to meet its short-term liabilities and commitments as they become due. The Company manages its liquidity risk by monitoring its operating requirements. The Company prepares budget and cash forecasts to ensure it has sufficient funds to fulfill obligations. In managing working capital, the Company may, where necessary, limit or control the amount of working capital used for operations or other initiatives, pursue additional financing, manage the timing of its expenditures, or sell assets.

While the Company believes that it has the ability to generate sufficient amounts of cash and cash equivalents, in the short-term and long-term, to maintain current operational capacity, additional sources of capital and/or financing will be required to meet planned growth requirements. Liquidity will fluctuate based on demand for working capital resources required for these initiatives.

Concurrent with the completion of the Wellbeats transaction in February 2022, LifeSpeak entered into a $97.5 million revolving credit facility with Scotiabank's Technology Innovation and Banking Group ("Scotiabank") and Desjardins Capital Markets ("Desjardins"). During Q2 2022, the Company voluntarily repaid $10.0 million of the credit facility, reducing total debt to $87.5 million. Following the voluntary repayment of debt, the Company, in collaboration with Scotiabank and Desjardins, also revised the terms of its credit facility to better position LifeSpeak to achieve its growth targets going forward. Effective in August 2022, a portion of the total facility transitioned from a fully revolving facility to a combination of a traditional term-based facility and a revolving facility.

In December 2022, January 2023 and February 2023, the credit facility was further amended in order to permit the term loan (see the "*Beedie Convertible Loan*" section in the AIF) from Beedie Investments Ltd. ("Beedie") to be secured. To bring the agreement terms more in-line with the Beedie Agreement, the credit facility was further amended and restated on March 31, 2023. The proceeds of the loan from Beedie were used to pay down the indebtedness under the credit facility such that the term-based facility will be in an amount of $72.5 million (and any amounts that are further paid down cannot be redrawn) and the revolving facility in the amount of $5 million will be undrawn immediately after the pay down.

Based on the amendments to the credit facility the Company will substantially reduce its amortization payments under the credit facility in 2023 to $1.1 million in Q4 of 2023, $1.8 million in Q1 of 2024 and $1.8 million in Q2 of 2024. Under the Beedie Convertible Loan the Company will not have any principal payments in 2023 and limited cash interest payments in 2023 and early 2024. These arrangements have the effect of reducing the Company's cash requirements for its financing arrangements and increased liquidity for operational requirements.

Working Capital

(*In thousands of Canadian dollars*)	**As at June 30,**	**As at December 31,**	**Change**	
	2023	**2022**	**$**	**%**
Current assets	15,535	17,069	(1,534)	(9%)
Current liabilities	100,739	42,366	58,373	138%
Working capital surplus (deficit)	(85,204)	(25,297)	(59,907)	(237%)

Our approach to managing liquidity is to ensure, to the extent possible, that we have sufficient liquidity to meet our liabilities as they become due. We do so by monitoring cash flow, performing budget-to-actual analysis, and forecasting future performance and its effect on cash on a regular basis.

Working capital deficit as at June 30, 2023 was $85.2 million, primarily the result of the current portion of borrowings reclassification. As of June 30, 2023, the Company was in compliance with its covenants in its credit agreement except for the Minimum ARR covenant for the month of June 2023, and the Company did not obtain a waiver prior to June 30, 2023. Therefore the Company was required to present the borrowings as current on the statement of financial position in accordance with the requirements of IAS 1. Subsequent to June 30, 2023, the Company and its lenders entered into amending agreements that removed the requirement to test the ARR covenants for the month of June 2023 and July 2023. At no time was there an event of default under the credit agreement. Following the execution of the amending agreements to remove the Minimum ARR covenant tests for the month of June 2023 and July 2023, the Company will be able to present amounts not due for at least twelve months as non-current. Had the Company not been required to present all borrowings as current in accordance with IAS 1, the working capital deficit of the as of June 30, 2023, would have been $5.4 million. Working capital deficit as at December 31, 2022 was $25.3 million, the result of the $23.5 million in the current portion of borrowings and contingent consideration of $5.0 million.

As our business grows, we anticipate our deferred revenue balances to increase, as we invoice many of our clients annually, starting at the beginning of their contract, and we recognize revenue on a monthly basis. Our working capital deficiencies are in effect primarily non-cash deficiencies.

Our principal cash requirements in the short term are for working capital, which is also expected to be the principal requirement in the long-term as we execute on our planned growth initiatives, including through investments in sales and marketing. Given our current cash balance and availability under our credit facility, and anticipated cash flow

generated from operations in the future, we believe that we will have sufficient liquidity to meet our current and short-term financial obligations.

Cash Flows

The following table provides an overview of the Company's cash flows for the periods indicated:

(In thousands of Canadian dollars)	**Three Months Ended June 30,**		**Six Months Ended June 30,**	
	2023	**2022**	**2023**	**2022**
Cash provided by (used in):				
Operating activities	3,673	(8,083)	7,497	(7,772)
Investing activities	(1,484)	(654)	(1,555)	(100,901)
Financing activities	(1,398)	(11,926)	(6,731)	87,261
Net increase (decrease) in cash	**791**	**(20,663)**	**(789)**	**(21,412)**

Operating Activities

Cash flow provided from operating activities for the three months ended June 30, 2023 was $3.7 million, representing an increase of $11.8 million from the outflow of $8.1 million for the three months ended June 30, 2022. This increase was primarily driven by a decrease in non-cash working capital items.

Cash flow provided from operating activities for the six months ended June 30, 2023 was $7.5 million, representing an increase of $15.3 million from the outflow of $7.8 million for the six months ended June 30, 2022. This increase was primarily driven by a decrease in net loss of $13.1 million due to acquisition costs incurred during the six months ended June 30, 2022.

Investing Activities

Cash flow used in investing activities during the three months ended June 30, 2023 was $1.5 million and was $654,000 for the three months ended June 30, 2022. This increase is primarily due to the payment of contingent consideration related to the Wellbeats acquisition partially offset by the addition of intangibles in the prior period.

Cash flow used in investing activities during the six months ended June 30, 2023 was $1.6 million and was $100.9 million for the six months ended June 30, 2022. This decrease is primarily due to business combinations during the six month period ended June 30, 2022.

Financing Activities

Cash flow used in financing activities for the three months ended June 30, 2023 was $1.4 million and was $11.9 million for the three months ended June 30, 2022. This decrease was primarily due to the voluntary repayment of $10.0 million of the principal and interest expense related to our revolving credit facility during the six month period ended June 30, 2022.

Cash flow used in financing activities for the six months ended June 30, 2023 was $6.7 million compared to an inflow of $87.3 million for the six months ended June 30, 2022. The decrease in cash provided by financing activities is primarily due to the net proceeds from the senior credit facility of $96.1 million, net proceeds from issuance and repurchases of common shares of $19.7 million and repayment on borrowings of $16.2 million during the six months ended June 30, 2022. During the six months ended June 30, 2023 the Company had net proceeds from borrowings of $12.8 million, repayment of borrowings of $15 million and $4.3 million of additional interest payments.

Capital Expenditures

Our capital expenditures include purchase of office furniture, computer equipment, computer software and additions of intangible assets.

Capital expenditures were $nil and $70,000 for the three and six month periods ended June 30, 2023 and was $650,000 and $670,000 for the same periods in the previous year, respectively. The decrease was primarily due to intangible assets capitalized in the periods ended June 30, 2022.

Contractual Obligations

We have contractual obligations with a variety of expiration dates. The table below outlines our contractual obligations as at June 30, 2023:

(*In thousands of Canadian dollars*)	**1 to 3 years**	**4 to 5 years**	**> 5 years**	**Total**
Trade and other payables	4,369	-	-	4,369
Lease obligations	773	38	-	811
Borrowings	85,114	-	-	85,114
Total contractual obligations	**90,256**	**38**	**-**	**90,294**

Capital Resources

The following table provides an overview of our capital resources:

(*In thousands of Canadian dollars*)	**As at June 30, 2023**	**As at December 31, 2022**
Cash and cash equivalents	5,676	6,531
Shareholders' equity (deficiency)	33,861	37,174

Shareholders' equity of $33.9 million as at June 30, 2023 compared to $37.2 million as at December 31, 2022 decreased by $3.3 million. The decrease is the result of period losses of $7.4 million offset by an increase in contributed capital as it relates to share based compensation ($2.9 million) and the equity conversion feature of the convertible debt ($1.2 million) issued in March 2023.

Selected Statement of Financial Position Data

	As at June 30,	**As at December 31,**
(*In thousands of Canadian dollars*)	**2023**	**2022**
Current assets	15,535	17,069
Non-current assets	124,577	135,363
Current liabilities	100,739	42,366
Non-current liabilities	5,512	72,891

Current Assets

Current assets decreased by $1.5 million, to $15.5 million as at June 30, 2023 from $17.1 million as at December 31, 2022. The decrease was mainly due a decrease in cash of $855,000 and a decrease in prepaids of $764,000.

Non-Current Assets

Non-current assets decreased by $10.8 million to $124.6 million as at June 30, 2023 from $135.4 million as at December 31, 2022. The decrease was mainly due to amortization of acquired intangible assets of $8.1 million

between December 31, 2022 and June 30, 2023 and an unrealized foreign exchange loss on goodwill and intangible assets.

Current Liabilities

Current liabilities increased by $58.3 million to $100.7 million as at June 30, 2023 from $42.4 million as at December 31, 2022. The increase is due to an adjustment between the current and long term portion of borrowings. As of June 30, 2023, the Company was in compliance with its covenants in its credit agreement except for the Minimum ARR covenant for the month of June 2023, and the Company did not obtain a waiver prior to June 30, 2023. Therefore the Company was required to present the borrowings as current on the statement of financial position in accordance with the requirements of IAS 1. Subsequent to June 30, 2023, the Company and its lenders entered into amending agreements that removed the requirement to test the ARR covenants for the month of June 2023 and July 2023. At no time was there an event of default under the credit agreement. Following the execution of the amending agreements to remove the Minimum ARR covenant tests for the month of June 2023 and July 2023, the Company will be able to present amounts not due for at least twelve months as non-current. Had the Company not been required to present all borrowings as current in accordance with IAS 1, as of June 30, 2023, the current liability balance would have been $20.9 million, of which $nil relates to the Beedie Convertible Loan and $5.3 million relates to the credit facility.

Non-Current Liabilities

Non-current liabilities decreased by $67.4 million to $5.5 million as at June 30, 2023 from $72.9 million as at December 31, 2022. The decrease was due to an adjustment between the current and long term portion of borrowings as described in Current Liabilities.

Related Party Transactions

The Company does not have any related party transactions, other than those noted in our Financial Statements.

Transactions with Key Management Personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling activities of the entity, directly or indirectly including the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Growth Officer and equivalent and Directors.

Compensation expense for the Company's key management personnel for the three months ended June 30, 2023 and 2022:

(In thousands of Canadian dollars)	**Three Months Ended June 30,**		**Six Months Ended June 30,**	
	2023	**2022**	**2023**	**2022**
Salaries and benefits	741	524	1,482	3,305
Share-based compensation	1,246	2,559	2,571	5,073
Total	**1,987**	**3,083**	**4,053**	**8,378**

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements as of the date of this MD&A.

Financial Instruments and Other Instruments

Credit risk

Credit risk is the risk of financial loss to the Company if a client or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from deposits with banks and outstanding receivables. The Company trades only with recognized, creditworthy third parties. The Company performs credit checks for all clients who wish to trade on credit terms.

The Company does not hold any collateral as security but mitigates this risk by dealing only with what management believes to be financially sound counterparties and, accordingly, does not anticipate significant loss for non-performance.

Credit loss impairment is determined based upon review of specific accounts as the Company does not have significant historical uncollectable receivables. Acknowledging that due to the nature of the business there is, on a quarterly basis a significant balance of receivables, the Company actively works to ensure an orderly collections process.

Liquidity risk

Liquidity risk is the risk the Company will not be able to meet its financial obligations as they come due. The Company's exposure to liquidity risk is dependent on the Company's ability to raise additional financing to meet its commitments and sustain operations. The Company mitigates liquidity risk by management of working capital, cash flows, the issuance of share capital and if desired, the issuance of debt.

If unanticipated events occur that impact the Company's ability to meet its forecast and continue to fund client acquisition cost, research and development, and administrative requirements, the Company may need to take additional measures to increase its liquidity and capital resources, including obtaining additional debt or equity financing or strategically altering the business forecast and plan. In this case, there is no guarantee that the Company will obtain satisfactory financing terms or adequate financing. Failure to obtain adequate financing on satisfactory terms could have a material adverse effect on the Company's results of operations or financial condition.

Market risk

Market risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk.

Foreign currency risk

Foreign currency risk arises on financial instruments that are denominated in a currency other than the functional currency in which they are measured. The Company's primary exposure with respect to foreign currencies is from U.S. dollar denominated cash, trade and other receivables, and trade and other payables. A 1% change in the foreign exchange rates would not result in any significant impact to the Financial Statements.

Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk as a result of interest-bearing debt facilities, as the interest rate varies based on the bank's prime rate. The Company has determined that a 1% change in rates would not have a material impact on the Financial Statements.

Inflation Risk

We do not believe that inflation has had a material effect on our business, financial condition or results of operations. If our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through price increases. Our inability or failure to do so could harm our business, financial condition and results of operations.

Other price risk

Other price risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to other price risk.

Critical Accounting Policies and Estimates

The preparation of the Financial Statements in conformity with IFRS requires management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Estimates are based on management's best knowledge of current events and actions the Company may undertake in the future. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements included in the Financial Statements are decisions made by management, based on analysis of relevant information available at the time the decision is made. Judgements relate to the application of accounting policies and decisions applied to the measurement, recognition, and disclosure of financial information.

Information about areas of estimation uncertainty and critical judgements in applying accounting policies, that have the most significant effects on the amounts recognized in the Financial Statements, are included both below and in the Financial Statement notes relating to items subject to significant estimation uncertainty and critical judgements.

The following are the critical judgments, apart from those involving estimations, that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the Financial Statements:

Revenue recognition

The identification of revenue-generating contracts with customers, the identification of performance obligations, the determination of the transaction price and allocations between identified performance obligations, the use of the appropriate revenue recognition method for each performance obligation and the measure of progress for performance obligations satisfied over time are the main aspects of the revenue recognition process, all of which require the exercise of judgment and use of assumptions.

The Company follows the guidance provided in IFRS 15, Appendix B, Principal versus Agent Considerations for determining whether revenue from arrangements with resellers should be recognized at the gross amount of consideration paid by the customer, or the net amount of consideration retained by the Company. This determination is a matter of judgment that depends on the facts and circumstances of each arrangement.

Goodwill impairment testing and recoverability of long-lived assets

Goodwill is reviewed annually for impairment, and long-lived assets are reviewed for impairment when there are indicators that impairment may have occurred. Goodwill and long-lived asset impairment testing is performed by comparing the carrying value to its recoverable amount. The recoverable amounts of the cash-generating unit was estimated based on an assessment of value in use using a discounted cash flow approach and fair value less costs to sell. The approach uses cash flow projections based upon a financial forecast approved by management, covering a five-year period. Cash flows for the years thereafter are extrapolated using the estimated terminal growth rate for value in use impairment analysis. The risk premiums expected by market participants related to uncertainties about the industry and assumptions relating to future cash flows may differ or change quickly, depending on economic conditions, identification of cash-generating units, and other events.

Business combinations

In a business combination, substantially all identifiable assets, liabilities and contingent liabilities acquired are recorded at the date of acquisition at their respective fair values. One of the most significant areas of judgment and estimation relates to the determination of the fair value of these assets and liabilities, including the fair value of contingent consideration, if applicable. Assets include cash, trade and other receivables, prepaids, property and

equipment and right-of-use assets; while liabilities consist of trade and other payables, lease obligations and deferred revenue. If any intangible assets are identified, depending on the type of intangible asset and the complexity of determining its fair value, an independent external valuation expert may develop the fair value, using appropriate valuation techniques, which are generally based on a forecast of the total expected future net cash flows. These valuations are linked closely to the assumptions made by management regarding the future performance of the assets concerned and any changes in the discount rate applied.

Trade and other receivables

The recognition of trade and other receivables and loss allowances requires the Company to assess credit risk and collectability. The Company considers historical trends and any available information indicating a customer could be experiencing liquidity or going concern problems and the status of any contractual or legal disputes with customers in performing this assessment.

The Company applies the simplified approach for trade receivables. Using the simplified approach, the Company records a loss allowance equal to the expected credit losses ("ECLs") resulting from all possible default events over the assets' contractual lifetime. The Company has established an allowance for ECLs that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. This rate is then adjusted based on management judgment to account for current economic conditions, counterparty's present financial condition and the term to maturity of the specified receivable balance. Actual credit loss may significantly differ from this estimate of provision.

Trade and other receivables are written off when the Company has no reasonable expectations of recovering all or any portion thereof, such as when payment arrangements cannot be made with the customer or third-party collection agency. The Company recorded a credit loss provision at June 30, 2023, using the simplified approach.

Income taxes

The Company computes an income tax provision in each of the tax jurisdictions in which it operates. Actual amounts of income tax expense only become final upon filing and acceptance of the tax return by the relevant tax authorities, which occurs subsequent to the issuance of the Financial Statements. Additionally, estimation of income taxes includes evaluating the recoverability of deferred tax assets against future taxable income based on an assessment of the ability to use the underlying future tax deductions before they expire. To the extent that estimates of future taxable income differ from the tax return, earnings would be affected in a subsequent period.

In determining the amount of current and deferred tax, the Company considers the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Company to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Estimated useful lives of long-lived assets

The Company reviews useful lives of depreciable assets at each reporting date. The Company assessed that the useful lives represent the expected utilization in terms of duration of the assets to the Company. Actual utilization, however, may vary due to technical obsolescence, particularly relating to software and information technology equipment.

Contingent consideration

The Company recognizes the fair value of contingent consideration relating to acquisitions on the date the transaction closes. Contingent consideration is classified as a liability carried at fair value with changes in fair value flowing through the consolidated statements of loss and comprehensive loss. Contingent consideration is initially measured at fair value based on management's best estimate of the probability of the attainment of specified targets at the date of acquisition and is subsequently revalued at each financial reporting period-end. Management's estimate of the probability of the attainment of specified targets takes into account management's evaluation of the revenue and

earnings forecasts for the respective acquired businesses and the risks thereon. Changes in management's estimate of the probability of achieving the specified target could have a material impact on the valuation of the contingent consideration. Contingent consideration is based on actual results and was fully settled by June 30, 2023, therefore there is no estimation uncertainty (see Note 9 of the Financial Statements).

Share-based payments

For equity-settled plans, expense is based on the fair value of the awards granted, calculated on the grant date, with a corresponding increase in contributed surplus. The expense is recognized over the vesting period, which is the period over which all of the specified vesting conditions are satisfied.

The Company uses the Black-Scholes valuation model to determine the fair value of equity settled share options. Estimates are required for inputs to this model including the fair value of the underlying shares, the expected life of the option, volatility, expected dividend yield and the risk-free interest rate. Variation in actual results for any of these inputs will result in a different value of the share option realized from the original estimate. The assumptions and estimates used are further outlined in the stock options note.

Going concern

At the end of each reporting period, management exercises judgment in assessing the Company's ability to continue as a going concern and operate in the normal course by reviewing the Company's performance, resources and future obligations. The conclusion that the Company will be able to continue as a going concern is subject to critical judgments of management with respect to assumptions surrounding the short and long-term operating budgets, expected profitability, investment and financing activities and management's strategic planning.

As at June 30, 2023, the Company had cash of $5,675,832 (December 31, 2022 - $6,530,540) and a working capital deficit of $85,204,501 (December 31, 2022 - $25,297,696). Had the Company not presented all outstanding borrowings as current (Note 8) the working capital deficit would have been $5,383,506 as at June 30, 2023. For the three and six months ended June 30, 2023, the Company incurred a net loss of $6,251,026 and $6,605,218 (June 30, 2022 - $6,003,978 and $22,209,180) while generating positive cash flows from operating activities of $7,456,654 (June 30, 2022 - $7,772,343).

The Company believes the application of the going concern assumption is appropriate as the Company has taken steps to improve its operations and liquidity, including (i) amendments to existing borrowing arrangements and access to new facilities in the period, (ii) continued sales growth from the Company's consolidated operations, and (iii) various actions that were implemented during the six months ended June 30, 2023 and during the year ended December 31, 2022 that resulted in lower operating expenses compared to the six months ended June 30, 2022, and positive cash flows from operations. Therefore, as a result of the actions taken, management believes there is sufficient capital to meet the Company's business obligations for at least the next twelve months, after considering expected cash flows, potential amendments to existing borrowing agreements, and the Company's cash position as at June 30, 2023. The Company's accumulated losses, working capital deficit and net loss for the period are indicators of material uncertainty that cast significant doubt about whether the Company will be able to support its operations and meet its obligations in the near term and continue as a going concern.

New standards, amendments and interpretations not yet adopted by the Company

IAS 1, Presentation of financial statements ("IAS 1")

In October 2022, the IASB issued Non-current Liabilities with Covenants (Amendments to IAS 1). The amendments improve the information an entity provides when its right to defer settlement of a liability for at least twelve months is subject to compliance with covenants.

The amendments are effective for annual periods beginning on or after January 1, 2024. The Company intends to adopt these amendments in its financial statements for the annual period beginning January 1, 2024. The Company is still assessing the impact of adopting these amendments on its financial statements.

All other IFRS standards and amendments issued but not yet effective have been assessed by the Company and are not expected to have a material impact on the financial statements.

Outstanding Share Data

The Company is authorized to issue an unlimited number of common shares and preferred shares, issuable in series. As of June 30, 2023, there were 50,913,507 common shares and nil preferred shares outstanding. As of August 9, 2023, there were 50,913,507 common shares and nil preferred shares outstanding.

The number of common shares reserved for issuance under the Omnibus Incentive Plan is 5,098,223. As of June 30, 2023, the number of stock options that are outstanding, including those that remain unvested, that may be converted to common shares is 4,388,333.

On November 25, 2022, the Board of Directors approved a restricted share unit plan ("RSU Plan") for the Company. The RSU Plan provides the issuance of RSUs to attract and retain qualified personnel and employees in order to align their interests with those of the Company's shareholders. Vested RSUs are settled in cash or common shares. As of June 30, 2023, the number of RSU's that are outstanding, including those that remain unvested is 1,261,032.

Under the convertible loan with Beedie (see the "*Beedie Convertible Loan*" section in the AIF) the principal amount of the loan may be converted up to a maximum of 13,636,363 common shares and the accrued interest is convertible into common shares as described in the AIF.

Risks and Uncertainties

The results of operations, business prospects and financial condition of LifeSpeak remain subject to risks and uncertainties and are affected by a number of factors outside of our control. Certain factors may have a material adverse effect on our business, financial condition and results of operations. Current and prospective investors should carefully consider the risks and uncertainties and other information contained in the AIF, particularly under the heading "*Risk Factors*" in the AIF, and in other filings that we have made and may make in the future with applicable securities authorities, including those available under the Company's profile on SEDAR at www.sedar.com.

The risks and uncertainties described herein and therein are not the only ones we may face. Additional risks and uncertainties that we are unaware of, or that we currently believe are not material, may also become important factors that could adversely affect our business, financial condition and results of operations. If any of such risks actually occur, our business, financial condition, results of operations, and future prospects could be materially and adversely affected. In that event, the trading price of our common shares (or the value of any other securities of the Company) could decline, and our securityholders could lose part or all of their investment.

Internal Controls over Financial Reporting ("ICFR")

There has been no change in the Company's internal control over financial reporting during the period beginning on April 1, 2023 and ended on June 30, 2023, that has materially affected, or is reasonably likely to materially affect, its

internal control over financial reporting. In addition, management determined that there were no material weaknesses in the Company's ICFR as of June 30, 2023.

Meaning of Certain Term

"**EAP**" means an Employee Assistance Program.

"**embedded solutions clients**" means clients that embed our offering in their own solution such that when they sell or offer their product to an end consumer, our product is automatically included or provided as an add-on.

"**enterprise clients**" means clients which are generally employers (mid and large enterprises, public and private organizations) offering our service as a benefit that fills a current hole in their health and well-well being program or enhances it.

"**Institutional Investors**" means, collectively, Round 13 Growth 2020 L.P., Kensington LS Fund L.P. and Roynat Capital Inc.

"**LTM**" means Last Twelve Months.

All other terms not defined herein shall have the meaning ascribed to them in the AIF.