

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
OF THE COMPANY’S FINANCIAL CONDITION AND RESULTS OF OPERATIONS  
AS AT AND FOR THE SIX-MONTHS ENDED NOVEMBER 30, 2022**

**FORM 51-102F1**

**DATE AND SUBJECT OF THIS REPORT**

This Management Discussion & Analysis (“MD&A”) is effective as of January 27, 2023 and is intended to assist in the understanding of the trends and significant changes in the financial condition and results of operations of Certive Solutions Inc. and its subsidiaries (“Certive” or the “Company”) as at and for the six-months ended November 30, 2022. The MD&A should be read in conjunction with the Company’s condensed consolidated interim financial statements and related notes thereto as at and for the six-months ended November 30, 2022 and with the Company’s audited consolidated financial statements and related notes thereto as at and for the year ended May 31, 2022.

The Company was incorporated on June 11, 2010, under the laws of the Province of British Columbia. The Company changed its name to Certive Solutions Inc. in October 2013 to pursue sales and marketing opportunities as a business process management solution focused on hospital revenue cycle management in the U.S. healthcare industry. The Company’s operational headquarters (and mailing address) is located at 8149 N. 87<sup>th</sup> Place, Scottsdale, Arizona 85258. The Company reports its financial results in U.S. dollars and under International Financial Reporting Standards (“IFRS”).

The Company is publicly traded on the Canadian Securities Exchange (CSE: CBP). Effective September 16, 2014, the Company’s shares began trading on the Frankfurt Exchange (FWB: 5CE) and on July 15, 2015, the Company’s shares were quoted on the OTCQB Capital Markets in the United States under the trading symbol “CTVEF”. As at November 30, 2022, and as of the date of this MD&A, the Company has two wholly-owned subsidiaries: Advantive Information Systems Inc. (which is dormant) and Certive Health Inc. (“CHI” formerly known as “Certive Technologies, Inc.”) each operating as independent subsidiaries of the Company. On August 26, 2021, CHI changed the name of its wholly owned operational subsidiary Omega Technology Solutions Inc. to Certive Health Revenue Solutions Inc. (“CHRS”) and on July 14, 2021, CHI formed a new wholly owned operational subsidiary Certive Health Compliance Solutions Inc. (“CHCS”).

**OVERALL PERFORMANCE**

During the six-months ended November 30, 2022 and the subsequent period up to and including the date of this MD&A, there were no significant or material events that occurred other than as reported herein. All amounts expressed herein are in U.S. dollars. As reported in this MD&A, the Company, its primary operational subsidiary CHI and its subsidiaries continue to operate below breakeven sales with negative cash flows; however, given the recent sales contracts and sales prospects that have been identified in the past few months, management believes that CHI may reach breakeven during the coming year.

Assuming that the Company's past due debt convertible promissory notes totaling \$2,269,223 can be refinanced, it is projected that over the following three-months after the date of this MD&A, the Company will require a minimum cash infusion of \$300,000 to cover routine operating costs and its other short-term obligations. As more thoroughly described elsewhere in this MD&A, the Company received funds covering its working capital needs during the six-months ended November 30, 2022, as follows:

- (1) On October 29, 2021, the Company's Board of Directors approved a new non-brokered \$1M Private Placement, which was amended by the Company's Board of Directors on December 22, 2022. The funds received from this Offering shall primarily be utilized for the purpose of establishing and funding (seeding) its newly created subsidiary CHCS and providing working capital for the Company. The Offering will be forty \$25,000 "Units" and each Unit shall consist of the following:
  - a. \$12,500 for 156,250 shares of Certive at a deemed value of \$0.08/share;
  - b. 78,125 Share Purchase Warrants exercisable in shares of Certive at \$0.14/share for up to 2-years;
  - c. \$12,500 for a 1/800 direct ownership of Certive's new operational subsidiary CHCS, which has a deemed value of \$10M; and
  - d. From the date the funds are received from the investor through the Offering's closing, the investor will accrue interest at the rate of 10% per annum on a simple interest basis. At the Offering's closing, the accrued interest will be settled with the issuance of additional shares of Certive at a deemed value of \$0.08/share.

During the six-months ended November 30, 2022, \$75,000 of funds were received by the Company intended to be invested in this Offering; and

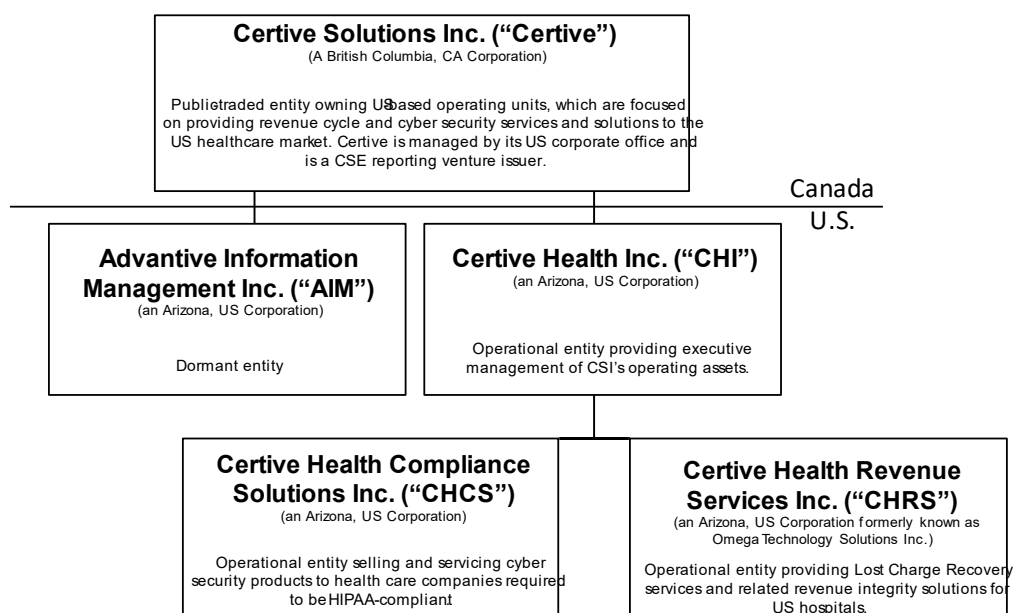
- (2) Two Officers and Directors of the Company advanced funds and/or paid directly expenses of the Company totaling \$352,165, which is included in accounts payable..

Since early 2020, the outbreak of the novel strain of coronavirus ("COVID-19") has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. It now appears that the emergency measures, vaccinations, boosters, anti-bodies and new treatments have curbed the worldwide threat. However, the duration and potential impact of the COVID-19 and its variants remain unknown. At this time, additional fiscal stimulus in the United States is being considered by Congress. In addition, States are in various stages of distributing vaccines from a number of manufacturers. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company in future periods.

**Based on the above factors and others, readers should be aware of the auditors' going concern qualification by referring to Note 1 of the Company's audited consolidated financial statements as at and for the year ended May 31, 2022.**

## ORGANIZATIONAL STRUCTURE – OPERATING DIVISIONS

As at November 30, 2022 and continuing to the date of this MD&A, the Company’s primary operations are provided by its subsidiary, CHI, which includes its wholly-owned subsidiary, CHRS, which is well positioned in the hospital revenue cycle market providing charge accuracy and chart review revenue integrity solutions primarily for hospitals in the U.S. healthcare industry. Management’s strategic plan for growing CHRS and the anticipated results of the strategic plan are discussed elsewhere in this MD&A. On July 14, 2021, CHI formed a new wholly owned subsidiary Certive Health Compliance Solutions Inc.



### Summary Statements of Loss for the six-months ended November 30, 2022 by Division:

	<u>CHRS</u>	<u>CHCS</u>	<u>Certive</u>	<u>Total</u>
<b>Revenue</b>	\$636,029			\$636,029
<b>Cost of Revenue</b>	(653,820)			(653,820)
<b>Gross Loss</b>	(17,791)			(17,791)
<b>Operating Expenses</b>	(386,867)	\$196	\$(203,281)	(589,952)
<b>Interest Expense</b>	(3,545)		(435,112)	(438,657)
<b>Other Income, net</b>			6,084	6,084
<b>Net Loss</b>	<u>\$(408,203)</u>	<u>\$196</u>	<u>\$(632,309)</u>	<u>\$(1,040,316)</u>

The Company is continuing to implement initiatives associated with completing a market, product and operational analysis, completing an inbound marketing strategy, leveraging the Company’s competitive advantages and strong market presence, enhancing its onboarding procedures for new business – all to drive sales growth and cash flows. In addition, the Company implemented specific cost containment measures both at the operational and corporate levels.

## **SELECTED ANNUAL INFORMATION**

The following financial data, which has been prepared in accordance with International Financial Reporting Standards (IFRS), is derived from the Company's financial statements.

	Year ended:		
	May 31, 2022	May 31, 2021	May 31, 2020
Revenue	\$1,200,668	\$1,756,176	\$1,406,309
Expenses, net	(\$3,679,439)	(\$3,799,552)	(\$3,406,104)
Net loss	(\$2,478,771)	(\$2,043,376)	(\$1,999,795)
Total assets	\$748,487	\$709,992	\$879,968
Current liabilities	(\$9,463,257)	(\$8,301,935)	(\$6,349,961)
Non-current liabilities	(\$243,056)	(\$150,000)	(\$644,083)
Shareholders' deficit	(\$8,957,826)	(\$7,741,943)	(\$6,113,993)
Net loss per common share (basic and diluted)	(\$0.01)	(\$0.01)	(\$0.02)

## **SELECTED QUARTERLY INFORMATION**

The following tables summarize the results of operations for the four-quarters ended November 30, 2022 and November 30, 2021:

	Three-months ended:			
	Nov. 30, 2022	Aug. 31, 2022	May 31, 2022	Feb. 28, 2022
Revenue	\$332,763	\$303,266	\$259,102	\$321,377
Expenses, net	\$798,662	\$883,767	\$1,340,311	\$1,097,606
Loss from continuing operations	(\$465,899)	(\$580,501)	(\$1,081,209)	(\$776,229)
Non-recurring gain (loss)	(\$1,174)	\$7,258	(\$26,478)	\$328,546
Net loss	<u>(\$467,073)</u>	<u>(\$573,243)</u>	<u>(\$1,107,687)</u>	<u>(\$447,683)</u>
Net loss per common share (basic and diluted)	(\$0.00)	(\$0.00)	(\$0.01)	(\$0.00)

	Three-months ended:			
	Nov. 30, 2021	Aug. 31, 2021	May 31, 2021	Feb. 28, 2021
Revenue	\$356,353	\$263,836	\$501,264	\$413,010
Total expenses	\$927,196	\$829,589	\$1,254,811	\$1,046,430
Loss from continuing operations	(\$570,843)	(\$565,753)	(\$753,547)	(\$633,420)
Non-recurring gain (loss)	\$171,062	\$42,133	\$19,383	\$92,431
Net loss	<u>(\$399,781)</u>	<u>(\$523,620)</u>	<u>(\$734,164)</u>	<u>(\$540,989)</u>
Net loss per common share (basic and diluted)	(\$0.00)	(\$0.00)	(\$0.01)	(\$0.00)

## **IMPORTANT ACTIONS BY MANAGEMENT AND THE COMPANY'S BOARD**

### **Material Events That Occurred During the Year Ended May 31, 2022:**

- The Company raised funds to provide working capital during the year ended May 31, 2022, as follows:
  - The Company received \$578,262 from lenders to the Company in 10% Demand Notes intended for the Company's Offering of 10% 48-month promissory notes convertible at \$0.14/share, which will be issued at the Offering's closing.
  - Two Officers and Directors of the Company advanced funds and/or directly paid expenses of the Company totaling \$427,817, which is included in accounts payable, of which \$150,000 is intended for the Company's current private placement Offering.
  - The Company received \$50,000 from a lender and issued the lender a 10% Demand Note, which matures in 120-days from receipt of the funds; and
  - The Company received \$200,000 from investors intended for the Company's current private placement Offering.
- On July 14, 2021, the Company formed a second CHI wholly owned subsidiary Certive Health Compliance Solutions Inc. ("CHCS")
- On August 26, 2021, the Company changed the legal name of CHI's wholly owned subsidiary Omega Technology Solutions Inc. to Certive Health Revenue Solutions Inc. ("CHRS").
- Effective September 8, 2021, CHCS entered into a binding Memorandum of Understanding with a technology company as a preferred partner to sell its suite of cyber security products, onboard new clients and provide customer service to health care companies desirous of enhancing their cyber security defense in an on-demand HIPAA-compliant manner.

- On September 13, 2021, 1,050,000 stock options expired pertaining to the Company’s former CEO. Such expired stock options were exercisable at \$0.22/share.
- On October 6, 2021, the Company held its Annual General and Special Meeting of its Shareholders whereby nearly 70% of the Company’s outstanding shares were voted. The Company presented its Audited Consolidated Financial Statements as at and for the year ended May 31, 2020. In addition, the Company’s shareholders set the Board at five Directors re-electing Marreel, Hyland, Thomas and Wareham. In addition, the Company’s nominee Ms. Schweitzer was elected as a Director to replace Saltich. The Company’s shareholders approved Harbourside CPA LLP to continue as the Company’s independent accountants. Also, the Company’s shareholders approved the Company’s Stock Option Plan.
- On October 6, 2021, the Company’s Board met and re-elected Tom Marreel as the Company’s Chair and CEO, Tim Hyland CFO and Treasurer, Scott Thomas Senior VP – Investor Relations and Mike Miller, Corporate Secretary and Chief Legal Officer of the Company. Jeff Wareham was re-elected Chair of the Company’s Audit Committee and Sheila Schweitzer was elected Chair of the Company’s Governance, Compensation and Nominations Committee.
- On October 15, 2021, the Company closed its Offering of 10% 48-month Convertible Promissory Notes convertible at \$0.14/share. The notes are to be repaid from, among other sources, the lenders’ pro rata share of 25% of the net cash collections from three recent new clients along with its next new client. The Company raised a total of \$852,050 of cash and debt settled past due principal amounts of \$159,249 into the Offering. Along with discounts and accrued, unpaid interest related to these amounts, at closing, the Company issued 10% 48-month Convertible Promissory Notes totaling \$1,144,447.
- On October 29, 2021, the Company’s Board of Directors approved a new non-brokered \$1M Private Placement, which the Board amended on December 22, 2022. The funds received from this Offering shall primarily be utilized for the purpose of establishing and funding (seeding) its newly created subsidiary CHCS. The Offering will be forty \$25,000 “Units” and each Unit shall include the following:
  - \$12,500 for 156,250 shares of Certive at a deemed value of \$0.08/share;
  - 78,125 Share Purchase Warrants exercisable in shares of Certive at \$0.14/share for up to 2-years;
  - \$12,500 for a 1/800 direct ownership of Certive’s new operational subsidiary CHCS, which has a deemed value of \$10M; and
  - From the date the funds are received from the investor through the Offering’s closing, the investor will accrue interest at the rate of 10% per annum on a simple interest basis. At the Offering’s closing, the accrued interest will be settled with the issuance of additional shares of Certive at a deemed value of \$0.08/share.

- On January 24, 2022, the Company received confirmation from the IRS that, following its appeal, the Company's Offer-in-Compromise was denied by the IRS Independent Office of Appeals as not being in the best interest of the U.S. Government. Subsequently, in March 2022, the Company requested the IRS to waive the penalties and interest, which was recently denied by the IRS. The Company is preparing an appeal.
- In January 2022, the Company issued 2,946,587 shares due to the conversion by lenders of three promissory notes settling principal and accrued interest of \$136,473 at an average of approximately \$0.05/share. Two of the three convertible promissory notes were converted by a member of the Company's Advisory Council.
- In February 2022, the Company issued 517,185 shares due to the conversion by a lender of a promissory note settling principal and accrued interest of \$31,031 at \$0.06/share. In addition, the Company issued 498,255 shares to a consultant to settle \$34,878 of unpaid fees at \$0.07/share.
- Effective February 28, 2022, the Company and a lender agreed to extend and replace a convertible promissory note of principal and accrued interest totaling \$128,207 for an additional two-year term.
- In March 2022, the Company issued 1,299,345 shares due to the conversion by lenders of three convertible promissory notes settling principal and accrued interest of \$77,961 at \$0.06/share.
- In April 2022, the Company issued 1,756,625 shares due to the conversion by a lender of a convertible promissory note settling principal and accrued interest of \$105,397.50 at \$0.06/share.
- On April 29, 2022, the Company's Board of Directors ratified management's recommendation to allow the remaining lenders (with original conversion rates at the greater of \$0.06/share or a 25% discount off of the fair market value on the date of conversion) the ability to continue to convert their promissory notes and accrued interest beyond the end of their original term, which was October 15, 2021.
- On April 29, 2022, the Company's Board of Directors also approved management's agreement with its investor relations firm granting it another 100,000 stock options, but these are at an exercise price of \$0.07/share for a 10-year term.
- On May 31, 2022, the Company issued 8,001,344 shares due to the conversion by a lender of a convertible promissory note settling principal and accrued interest of \$315,973 at CDN\$0.05/share.

**Material Events That Occurred During the six-months ended November 30, 2022:**

- The Company raised funds to provide working capital during the six-months ended November 30, 2022, as follows:

- The Company received \$75,000 from investors intended for the Company's current private placement Offering.
- Two Officers and Directors of the Company advanced funds and/or directly paid expenses of the Company totaling \$352,165, which are included in accounts payable.
- On July 18, 2022, a lender elected to convert a promissory note with total principal and accrued interest of \$24,213 into 403,543 shares of the Company's common stock at \$0.06/share.
- On October 14, 2022, a lender and the Company entered into an agreement to extend the due date of a \$90,000 convertible promissory note originally dated November 24, 2017 and due on November 24, 2019. The note's amended due date is May 31, 2023.
- In October 2022, the escrow agent (attorney) sent \$40,000 of restricted cash to the US Treasury Department, Internal Revenue Service, towards payment of payroll withholding taxes due for the quarter ended September 30, 2017.

**Material Events That Occurred Subsequent to November 30, 2022:**

- The Company raised funds to provide working capital subsequent to November 30, 2022, as follows:
  - Two Officers and Directors of the Company advanced funds and/or directly paid expenses of the Company totaling \$147,154, which are included in accounts payable.
- On December 18, 2022, 750,000 retention stock options granted by the Company's Board of Directors three years prior to the Company's CEO and CFO fully vested. Such stock options were exercised by them at CDN\$0.05/share in January 2023.
- On December 22, 2022, the Company's Board of Directors approved management's recommendation to amend its current \$1M non-brokered private placement offering of the Company's common stock from shares being issued at \$0.10/share to \$0.08/share.
- On December 22, 2022, the Company's Board of Directors also approved management's recommendation to amend the repayment source for a prior Offering of four-year 12% convertible promissory notes from 1/3 of the net revenue received from its contract with its former client Tower Health to utilizing 1/4 of the revenue received from its new DRG Review Services line of business.



## **THE BUSINESS OF CERTIVE HEALTH INC. (“CHI”)**

### **CHI’s Mission and Vision**

CHI’s mission is making healthcare better by applying its People-Equity and Capital to provide solutions in the healthcare communities it serves.

CHI’s vision is to leverage its people’s experience, expertise, and relationships in the US healthcare sector.

### **CERTIVE HEALTH ASSEMBLED A GREAT HEALTHCARE TEAM AND WE ARE BUILDING A GREAT HEALTHCARE COMPANY AROUND IT**



Leadership, Board of Directors, and Advisory Council are comprised of hand-picked achievers who have built, grown and sold healthcare companies. All are investors in the company – all have significant networks. Their collective experience, expertise, and relationships, is the People-Equity upon which the company was founded.

### **Advisory Council · Governance · Management**

### **CHI’s Evolution**

In late 2013, the Company assessed its target market and competencies and narrowed its strategic focus to the provider side of the U.S. healthcare industry and specifically to U.S. hospitals, who wrote off between 3% and 15% of their total revenues as denied claims for a variety of reasons which was an indicator of the severity of the problems associated with the complexity of the reimbursement process and the overall market.

On July 15, 2015, the Company acquired the assets of CHRS. With that acquisition, the Company established a technology base and the ability to provide several core revenue cycle services.

Through the period up to August 2018, CHI had secured a toehold in a segment of the overall hospital revenue cycle market. Led by Tom Marreel, the Company had assembled the foundation of its Advisory Council which is comprised of accomplished senior healthcare executives as both investors and advisors. As Advisors, these executives could guide CHI to realize its vision of becoming a significant contributor in healthcare change. The Advisory Council represents the People-Equity around which the Company is being built.

Recognizing the opportunity that lay ahead, several changes in management were made as Tom Marreel joined the team as CEO and Timothy Hyland joined as CFO. Both consummate leaders, their experience and connectivity in healthcare has positioned the Company to achieve its vision.

Initially, management is focused on organic revenue growth through its wholly owned subsidiary, CHRS, which operates a Lost Charge Recovery services business in Ft. Lauderdale, Florida. Utilizing proprietary analytics, workflow and combining with skilled nurse auditors, CHRS, retrospectively audits hospital bills that have been previously submitted to payers. By comparing the original hospital bill to the patient's original medical records, auditors identify and validate charges that should have been included on the original hospital bill but were not. These identified lost charges are then submitted to the payers on behalf of the hospital, and when paid, CHRS invoices the hospital a contingency fee percentage of the total amount recovered by the hospital.

In addition, management is evaluating revenue growth through acquisition of additional businesses in the Hospital Revenue Cycle Management Services sector of the U.S. healthcare market.

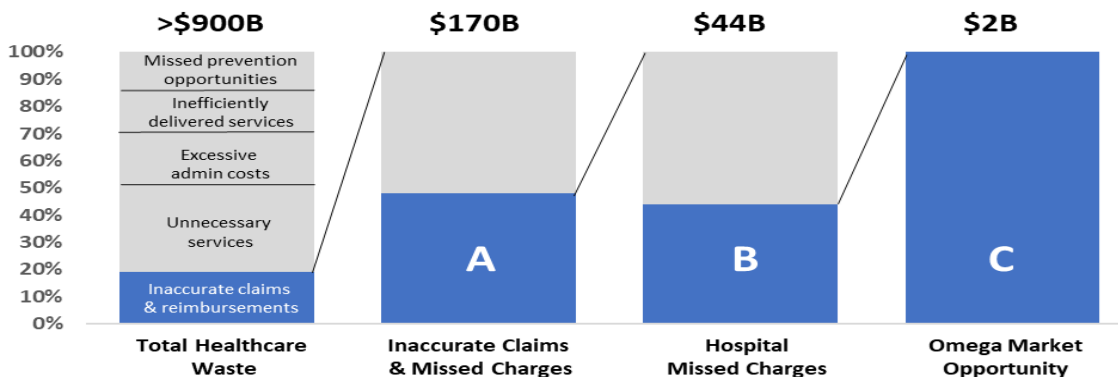
### **CHI's Market**

The U.S. healthcare market is a \$3.7T industry with over \$900B of that being lost to waste and inefficiency, \$176B of that alone coming from the revenue cycle area. With overall healthcare costs among the highest in the world and the quality of care among the lowest, the U.S. healthcare market is ripe for innovation and improvement. With its size and complexity, change takes time. The changes will not be coming from a few select leaders but rather the many smaller and more nimble innovators unconstrained by the past, with the experience to get it done. Four primary market forces are driving these trends:

1. There are numerous hospitals that build centralized revenue cycle operations and neglect to continually improve their own internal unit. A strategy to integrate this should include a value-added shared services organization that provides a common business intelligence platform across entities and service lines system wide.
2. Increasing patient obligations for hospital bills resulting from commercial payers reducing their benefit leads to a growing amount of hospital bad debt.
3. Commercial payers' scrutiny of claims has significantly increased. Hospitals are losing an average of five percent of their margins to underpayments, denials, and contract negotiations. Payers often have the advantage in terms of data and insight in such negotiations.
4. While major surgeries and procedures are often charged automatically based upon time, less invasive surgeries are separately charged, and certain procedures are often missed. Examples of these missed charges are the improper billing of pharmaceutical administration, drug waste, interventional cardiology coding errors and charges for implantable devices being omitted.

Under continuing healthcare reform, reimbursement models will continue to evolve from traditional fee-for-service (FFS) models to outcome-based models. FFS models have proven to be complex from a vendor's point of view and the outcome-based model becomes more complex from a vendor's technology standpoint. Overall, the Revenue Integrity Market Segment is forecasted to continue to grow. Separately, the healthcare analytics segment is ~\$40B, doubling year over year with predicted continued strong growth as healthcare systems and payers begin to take advantage of the interoperability put in place after years of investing in their IT systems.

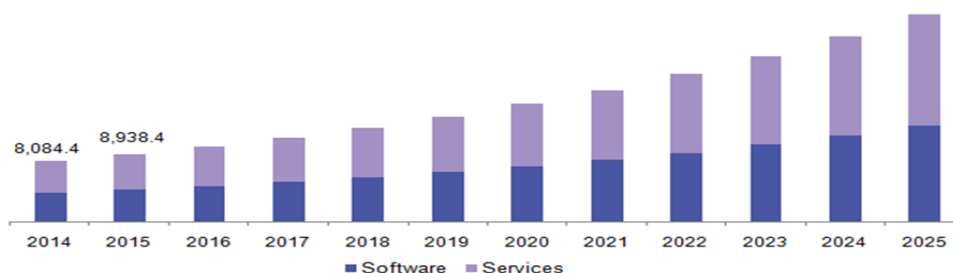
## Market Opportunity Missed Charges



- A** - Total waste and inefficiencies in revenue cycle.
- B** - Avg 350 bed hospital misses \$22M in charges X 2K hospitals = \$44B market.
- C** - Omega serviceable market of 5% = \$2B market opportunity.

*Source: U.S. National Academy of Sciences' Institute of Medicine and CMS, Healthcare Finance News*

## Overall Revenue Integrity Market Size



Significant investments are being made in healthcare, driven by the Center for Medicare and Medicaid Services (CMMS). These are to reduce the cost of care, improve outcomes, and improve patient satisfaction. Revenue cycle improvements affect all three of these reform areas. Upgrading and making investments in HIM systems will have a major impact. Replacing old or implementing new electronic health records and patient accounting systems is a huge disruptive undertaking. When completed, this will create an opportunity for a new generation of systems that can communicate with each other opening true interoperability between providers, payers, ambulatory providers, and acute providers. Most importantly, vendors like CHRS who through standard ambulatory payment classifications (APCs) can access data and deliver results back to the client in an efficient manner.

Regardless of the specific area of healthcare focused on, technology in terms of automation, workflow, analytics, predictive analytics, and artificial intelligence will be part of the future. For the present, CHRS has a unique and highly competitive technology enabled analytical product and with proper marketing and sales can generate significant cash during the next few years, which will provide resources to drive development. Organic growth vs. acquisitive growth means a higher return on investments (ROIs), but CHRS will likely use a combination to achieve the long-term objectives.

## **DISCUSSION OF THE OPERATIONS OF CHI**

### **CHI's People Equity - Management and Governance**

The current Board Members and Officers of the Company include:

1. Tom Marreel, Chairman and CEO, for 30+ years has held senior positions in all areas of the health plan side, including founder and CEO of his own company. He was a senior executive at Schaller Anderson, a health management and consulting company, that was sold to Aetna in 2007.
2. Tim Hyland, Director, CFO & Treasurer, for 30+ years has been an experienced executive in healthcare finance, business development and mergers and acquisitions. He was Schaller Anderson's CFO for 13 years and has served on the national board of HFMA.
3. Jeff Wareham, Director & Chair of the Audit Committee, is a former Vice President of Industrial Alliance Securities, and is currently CEO of Catch Capital Partners, and a director of Bold Ventures Inc, a TSX-V listed company.
4. Scott Thomas, Director, Senior VP of Investor Relations, for 25+ years has experience in the financial industry as a broker, Trader and Hedge Fund Manager. He is a venture capitalist and private investor who works with management to drive solutions to create stakeholder value.
5. Sheila Schweitzer, Director, Chair of the Governance, Compensation & Nominations Committee, is co-founder Blue Ox Healthcare Partners (BOHCP), formed as a private equity investment firm providing capital to growth stage healthcare companies. Over the past 30+ years, Sheila has generally focused on the hospital revenue cycle management industry. In such capacity, Sheila has founded several companies and has held numerous executive and association leadership roles over her professional career. In 2020, Sheila joined the Company's Advisory Council becoming an advisor to the Company's current CEO and CFO. 2007.
6. Michael Miller, Corporate Secretary & Chief Legal Officer, for 40+ years has extensive experience in the legal profession serving as General Counsel for multiple major companies. He also served in senior management capacities and created environmental insurance programs.

### **CHI's People Equity - Advisory Council**

The Company has assembled an outstanding Advisory Council consisting of experienced senior healthcare executives who have built, lead, and sold significant enterprises in the healthcare market, and possess broad complimentary skills. The Advisory Council, their network of executive leads, subject matter experts, and the extended network of experienced healthcare talent at the "doer" level is an asset for Certive. The purpose of the Advisory Council is to provide direction, guidance, and special project-based support to management in the design and implementation of business strategies aimed at creating an overall near and long-term enterprise value. The Advisory Council was formed, specifically, to assist the CHI's management in determining the best strategies to affect growth in an ever-changing U.S. healthcare market.

Current members of the CHI's Advisory Council, who have all invested in the Company, include:

1. Dr. Arthur Pelberg, an internal medicine specialist, served as the President and Chief Medical Officer of Schaller Anderson from 1999 to 2007 and brings to the Company rich clinical and senior level healthcare operations experience.
2. Jack Chapman is a nationally recognized Revenue Cycle Management expert and consultant to the healthcare provider community.
3. Steve Schramm, the founder of Optumas, an actuarial analysis organization for large healthcare purchasers. Mr. Schramm's background brings to Certive the knowledge to use sophisticated actuarial and analytics toolsets that provide customers with meaningful information health data.
4. Don Gilbert has an extensive background in healthcare in the State of Texas where he served as Secretary of Health and Human Services under Governor George W. Bush.
5. Michael Marshall, CEO of e5 Workflow Inc., provides to Certive, operational capabilities in revenue cycle management with hands on expertise in all aspects of this industry.
6. Jeffrey Benton is currently the managing director of Fairfield Advisors, a hedge fund specializing in market structure arbitrage and volatility strategies. Mr. Benton is a former Governor of the New York Stock Exchange and has served on several New York Stock Exchange committees.
7. Dr. "J.J." Linder is a graduate of the Washington University School of Medicine in St. Louis, Missouri (1996). Most recently, Dr. Linder is Chairman of Emergency Medicine at Chandler Regional Medical Center (2012-Present); Medical Staff President (2018-Present); and Past-Member Ethics Committee.
8. John Orsini is currently the Senior Vice President and Chief Financial Officer of Northwestern Memorial HealthCare (NMHC). Mr. Orsini has proven expertise in the strategic financial management of multi-hospital health systems and brings with him more than 30-years of health care finance experience.
9. Sheila Schweitzer is a five-time healthcare entrepreneur with 30+ years of experience in the healthcare industry. She has in-depth success as a C-level executive, investor, and advisor.
10. Tim Bricker is a senior executive in leading hospitals and health systems in the western United States for 25 years. He has overseen significant growth initiatives leading to a market share increases, developed several innovative partnership arrangements with physician groups, freestanding emergency department providers, and ambulatory services providers.

Members of CHI's Advisory Council have all invested in Certive and are committed to assisting in charting its course organically and through growth by acquisition.

## **Factors Impacting the Growth of CHI**

1. CHI is in the process of implementing several plans that will align CHI's operational direction to customer demand, which includes an investment of resources to increase sales, to enable better support of existing customers, to have the capacity to expeditiously onboard new customers and to exceed customer expectations. When several anticipated new customers are secured and begin to generate sales, the burden of seeking outside capital to support operations will be reduced.
2. CHI's near-term organic growth strategy is based upon its ability to aggressively expand its sales and marketing functions and deliver a simple compelling message to the key decision makers in revenue cycle functions at targeted hospitals. New client onboarding and volume throughput are scalable functions that CHRS currently possess. A significant investment in product marketing, inbound marketing, and selling is currently underway.
3. The identification of selected acquisition targets that complement the core business is a key factor that may impact growth. The Company and CHI have identified targeted opportunities in the U.S. healthcare industry that complement current service offerings.
4. The identification of new lines of business within revenue cycle management for U.S. hospitals are unique and provide value-added benefits for hospital administrators.
5. The ability to cross-sell different services to CHI's customers.
6. CHI profitability and the Company's consolidated profitability as well.
7. There are expectations regarding the ability to raise capital to fund increasing working capital requirements and achieve sustainable near and long-term growth. Acquisitions may lead to substantial dilution if the majority of the acquisitions are stock based.
8. CHI must be mindful of a downward move by upper market tier participants who recognize the opportunities in the tier 3 highly fragmented market space.
9. CHI must assess the relative risk associated with acquisition size, category of revenue integrity services provided and the need for working capital to support the growth of each acquisition.
10. CHI must be mindful and reactive to disruption in the U.S. healthcare markets to achieve maximum rates of return.
11. As CHI expands its service offerings, it will need to ensure that there is a constant vigilance over new and changing regulations that will impact the ability to remain compliant.
12. The Company will continue to direct and manage the affairs of CHI and its Board if and until any divestiture and transition is completed.

## **DISCUSSION OF THE OPERATIONS OF CHRS**

### **Description of CHRS's Industry**

#### REVENUE CYCLE MANAGEMENT FOR HOSPITALS - A DEFINITION

All healthcare providers depend on three types of payment sources: self-pay by the patients, insurance company benefit payments and government-based programs (Medicare and Medicaid). The process of billing and collecting such payments has grown more complex over the years as insurance and governmental programs have become more intricate. The uninsured and the higher deductible insurance policies have forced a greater need to collect payments directly from patients. Many hospitals lack the technical sophistication to adequately bill and collect from these various payment sources. Revenue Cycle Management (RCM) systems have developed, over the past twenty years, how to address the needs of hospitals and other healthcare providers. The RCM process is composed of the following segments:

1. Scheduling and Eligibility
2. Pre-Registration and Financial Clearing
3. Admitting, Registration
4. Point of Service Charge Capture
5. Case Management
6. Coding
7. Pre-Billing and Billing
8. Submission to Payers - Patients and Third-Party Payers
9. Payment Posting
10. Denial and Payment Analysis
11. Self-Pay and Collections

### **Description of CHRS's Business**

#### CHRS REVENUE INTEGRITY ANALYTICS PLATFORM

Revenue Integrity Analytics provide retrospective claim audits and lost charge services. CHRS uses a proprietary process that utilizes a unique combination of revenue integrity analytics and enables workflow technology. This ensures that every claim that has the potential to yield additional revenue is properly audited and that each claim is audited for accuracy and errors. This yields superior returns for our clients. CHRS's unique Revenue Integrity Analytics platform captures more missed charges, underpayments, and claim errors than any competitor in the market. This market is large and can drive significant revenue and margins for CHRS.

CHRS also offers OCExaminer™ missing charge capture software and claim scrubber on a SaaS basis as well its ChargeMASTER™ analysis tool. OCExaminer™ routinely finds 10-12% more claim errors than our competitors, however, the market for competing claims scrubbers is quite competitive with annual recurring licensing fees of \$20K and long 7-year contracts make it a difficult business to penetrate. Both service offerings will be looked at for future repositioning in the market. One example of a possible repositioning of OCE is the ability to consistently find 10% to 12% more claims errors on Medicare and Medicaid outpatient claims than competing solutions. If CHRS were to focus the sales efforts of this product on these government plans, it would be a reasonable assumption that the strong performance would telegraph through to engagements in the more lucrative commercial lost charge recovery business. Both services are used internally as part of our Revenue Integrity Analytics service offering.

### **Competitive Landscape**

There are three categories of competitors:

- a) In-sourcing by CHRS's target hospital clientele
- b) Indirect competitors that offer technology solutions
- c) Direct competitors that offer services such as continuous process improvement programs

The principles of the philosophies of continuous improvement are taking hold and the goal is to address the problem at the root cause which up until now has not come to fruition. Most solutions will be technology based i.e., workflow, analytics, and Common Data Model through Natural Language Processing.

#### 1. Hospital In-Sourcing:

This is the status quo. Hospitals do not have the internal resources and efficiencies to do this alone and have long relied on vendor relationships to help manage through the complex reimbursement and revenue cycle process. This will not change. Increasing complexities, reduced reimbursements, focus on outcomes, rising costs of care, consolidation, and changes in the regulatory environment have resulted in increased financial pressure on the hospitals and the need for improved efficiency. All this results in an increased market opportunity.

#### 2. Indirect Technology Vendors:

Several vendors such as MedAssets and Craneware provide technology solutions that attempt to solve the hospitals' problems. Hospitals are resistant to further reinvestment in more "systems" and need to have their problems solved. These solutions contribute to the problem by reducing claim value, allowing greater leakage to occur. Often, hospitals are frustrated with pure technology solutions and the absence of a strong service component that fails to deliver on the promised value proposition. Several data analytics have aided healthcare solutions based on their platforms.



Large Health Information Management System (HIMS) providers such as Cerner and Epic are technology suppliers to the hospital industry. They are seeking to add a viable service component to their revenue models. They possess unique access to potential new CHRS customers. CHRS, on the other hand, is a service company that can quickly adapt to change and identify hospital solutions. CHRS then becomes a very important piece of the puzzle to these large competitors who are ill-equipped to adapt quickly. CHI, therefore, treats these companies as a source of business for CHRS, not direct competition.

### 3. Direct Service Competitors:

Tier 1 players such as Accenture provide comprehensive services to the industry with a “big” service model. These companies often are engaged with the large hospital systems. They are subject to the same “big” inflexibility of larger corporations. However, this does not address the core leakage issue, leaving white spaces and large revenue leaking problems unaddressed.

Tier 2 players are medium sized players that are built to sell and have no domain capacity other than what they bought and little capacity to strategically think quickly. Private equity is attracted to this space, which validates to some extent the opportunity, but private equity firms need to deploy large sums of capital which often results in ineffective returns on cash invested. Some of these companies could become larger future acquisition targets for Certive.

Tier 3 players that are part of the fragmented nature of this tier have customer access but are cash limited and have no long-term vision for how they fit into the market. This makes them perfect acquisition targets for Certive where they could acquire attractive clients and/or service niches, layer its strategies, use the vast data it acquires to drive the development of better tools for long-term risk management and become a sought-after enterprise.

## **2022 - 2023 CHRS - STRATEGIC PLAN OVERVIEW**

### **Focus**

CHRS has a preponderance of new product, service, and technology capabilities with some that play into the future model of healthcare. A strategic decision has been made to focus, almost exclusively, on growing the Lost Charge Recovery services and underpayments based on our Revenue Integrity Analytics platform. This strategic decision was based on the fact, CHRS possesses unique capabilities and intellectual property that provide accurate results and competitive advantages for these services. This creates an opportunity for near term margins and other revenue cycle services. These combined with a ripe market, leads management to believe that there is an opportunity for significant revenue growth in a scalable business model. For the planning period, CHRS will focus exclusively on the following services:

### **Charge Accuracy Audits**

The charge accuracy audits include audits of patient charts against the medical records to capture charges for services that were performed but not billed to payers. Fees are usually based on a percent of the lost charges that are recovered.

## **Claim Audit and Recovery**

The claim audit and recovery include the retrospective review of payments made from payers based on the contracts. This identifies underpayments based on improper billings by the hospital, improper contract interpretation by the payers and appeals of claim denials. Fees are usually based on a percentage of additional revenues paid to the hospital because of the audits and appeals.

## **Product Marketing and Service Line Enhancements**

Using contemporary product marketing concepts, CHI will evaluate, plan, and implement client desired features to our Revenue Integrity Analytics platform. This makes it easier to use, integrating with their current process, and deliver BI dashboards in a “light” user interface model.

## **Marketing**

CHRS will market lines of services through multiple channels to create awareness and brand identity with supporting data and documentation for every channel pursued. Our major marketing tools will be our digital platform along with more traditional marketing through speaking engagements at conferences and reference articles and referrals, etc. This digital marketing presence targets not only potential clients but investors and potential collaborators as well.

1. Search engine optimization (SEO)
2. Search engine marketing (SEM)
3. Content marketing
4. Social media marketing (SMM)
5. Pay-per-click advertising (PPC)
6. Affiliate marketing

There are 1,500 targeted hospitals in the U.S. that have applicability to the service offering. Each target has been assessed based upon CHRS's proven assessment analytics using commercially available and reported data on the hospital targets in the American Hospital Directory. CHRS has made significant investments in revenue integrity analytics technology that is the foundation for its delivery of revenue services and cloud products that identify revenue opportunities and address compliance issues. CHRS's solutions deliver real-time analysis and recovery of unidentified charges not captured and billed by the hospital, and prevention of charging and billing issues that reduce or delay reimbursement. Those claims are compared to the patient's medical record by skilled clinical auditors. The auditor then looks for missing charges, coding, or compliance errors. CHRS's in-house billing department then directly bills the insurance company based on the findings (unless the hospital system prefers to do their own billing). The hospital system receives payment directly on the billed charges. CHRS performs follow-up and dispute resolution for claims submitted. In addition to finding revenue, CHRS routinely educates the hospital and its staff on its findings. CHRS provides detailed monthly reports of its findings in conjunction with periodic meetings to discuss specific patterns and problems, establishing a process to prevent losses from occurring in the future. CHRS goes back two years with its clients in the auditing process and prepares them for their future through preventative training and education. The Lost Charge Recovery system has no upfront cost, no risk and only an upside potential for the hospital.

## **Sales**

It is essential to first establish a relationship with the decision makers at each hospital which is the most challenging obstacle in selling in the healthcare field.

The following is the professional services sales model:

1. Establish sales leadership within CHRS through a Director of Business Development with an internal team of client service representatives to improve the sales process and ongoing client retention efforts.
2. CHRS has a total of 13 Business Development Advisors. These advisors come from various backgrounds, share the ability to support CHRS and target client-engagements. The Company's advisors consist of former politicians and executives from within the industry that have all demonstrated the ability to connect with the client.
3. Know the technical details of the competitors and the client which include developing relationships with executives, understanding financial statistics and payor mixes. This positions Certive to differentiate, and win, on a client-by-client basis.
4. Discuss and discover with the client current and future needs, determine the proper services adjusted to each individual client, and engage in building a prosperous partnership.
5. CHI leadership, Certive Advisory Council members and the Business Development Advisors all have C-Level contacts in hospitals and systems.
6. Channel partners know the clients and their problems.
7. It is a white label for other revenue cycle providers, Experian, TransUnion, etc., or Tier 2 partnerships.

## **Operations**

1. Integrate financial reporting to Certive in Scottsdale. Establish the standardized revenue forecasting process.
2. Institutionalize client onboarding by building upon existing processing technology to support sales and post sales and bring the Business Development Advisors closer to the Company. Expanded field presence utilizes technology tools to improve the client experience.
3. With the help of workflow and current technology, CHRS is able to onboard new clients while maintaining adequate staffing levels.
4. CHI is currently evaluating the benefits of using cloud services or maintaining servers on site.

5. Develop a comprehensive employment contract which includes a stock option plan and is approved through the compensation committee.
6. The Company is currently seeking a cost-efficient office location for operations.

### **Investor Relations**

1. Establish CHI as a thought leader in the market. Build awareness in the investment community as an emerging growth company. This is completed through delivery of a steady stream of content concerning the Company's performance and specific industry knowledge.
2. Utilize contemporary digital tools in marketing automation and social media to deliver content and nurture relationships with investors.
3. Present regularly at relevant microcap conferences.

### **Legal**

See Legal Matters discussion below.

## **FINANCIAL COMPARISON TO PRIOR PERIODS**

### **Financial Position as at November 30, 2022 compared to May 31, 2022**

The following discussion of the Company's financial position is based on the Company's condensed consolidated interim statement of financial position as at November 30, 2022 and the audited consolidated statement of financial position as at May 31, 2022, which are reported on a comparative basis in all material respects.

#### **Current Assets**

As at November 30, 2022 the Company's total current assets of \$459,025 compared to \$605,387 at the prior year-end and were as follows: cash balance of \$2,732 compared to \$10,462 at the prior year-end; marketable securities of \$948 compared to \$3,037 at the prior year-end; receivables, net of allowance, of \$259,300 compared to \$282,084 at the prior year-end; restricted assets of \$147,500 compared to \$187,500 at the prior year-end; and, prepayments of \$48,545 compared to \$122,304 at the prior year-end. The net decrease in total current assets of \$146,362 or 24.18% was primarily due to the decrease in prepaids of \$73,759 due to a reduction in prepaid payroll, the \$22,784 decrease in accounts receivable, and the \$40,000 decrease in restricted assets. Estimated amounts are accrued as revenue for CHRS's completed work, which is known as work-in-progress ("WIP"). After CHRS's identified lost charges are processed and the hospital client receives payment from the payer, an invoice is generated by CHRS and sent to the hospital client for the Company's contingency fee, which is generally collected approximately 30-45 days after being invoiced by CHRS. Estimated monthly amounts accrued as WIP are subject to adjustment.

## Non-current Assets

As at November 30, 2022, the Company's non-current assets were \$113,925 compared to \$143,100 at the prior year-end, a decrease of \$29,175 or 20.39% from the prior year-end due primarily to the following: (1) The Company received \$5,961 from KCA during the six-months ended November 30, 2022 reducing the receivable; and (2) The Company's amortization of capitalized software development costs was \$23,214 during the six-months ended November 30, 2022.

## Current Liabilities

As at November 30, 2022, the Company's current liabilities were \$10,281,196 compared to \$9,463,257 at the prior year-end. The increase of \$817,939 or 8.64% is due to several factors:

- As at November 30, 2022, the Company's accounts payable and accrued liabilities of \$4,717,607 compared to \$3,871,065 at prior year-end, an increase of \$846,542 or 21.87% due primarily to accrued interest expense incurred during the period and advances to the company from directors which are shown in accounts payable.
- As of November 30, 2022, the Company's convertible debt of \$4,394,403 compared to \$4,475,064 at the prior year-end, a decrease of \$80,661 or 1.80% due primarily to a gain realized from the monetary exchange rate during the six-months ended November 30, 2022.
- As at November 30, 2022, the Company's short-term loans payable of \$861,819 compared to \$807,572 at the prior year-end, an increase of \$54,247 or 6.72% due primarily to the 10% Demand Notes issued to those lenders interested in the Company's current equity Offering.
- As at November 30, 2022, the Company's notes payable – current portion of \$307,367 compared to \$309,556 at the prior year-end, a decrease of \$2,189 or 0.71% due to the following:

The Company previously agreed to make payments totaling \$500,000, which when paid, will be full settlement of any amounts owed between the Company and the former owner of CHRS's assets as follows:

- \$50,000 to be paid during the year ended May 31, 2019 (paid);
- \$50,000 to be paid on May 31, 2019 (paid);
- \$50,000 to be paid on November 30, 2019 (paid);
- \$50,000 to be paid on November 30, 2019 (paid);
- \$50,000 to be paid on February 29, 2020 (past due); and
- With respect to the remaining \$250,000, 25% of CHRS's net income will be paid quarterly through November 30, 2020, when any remaining balance is due (past due).

As at November 30, 2022 and May 31, 2022, the remaining unpaid balance of \$300,000 is included in short-term loans (Note 9).

Secondly, the EIDL loan repayment is due in instalments beginning in January 2023. Pursuant to the loan amortization table, those principal payments expected to be paid within 12-months of November 30, 2022 and May 31, 2022 are \$2,930 and \$1,319, respectively, which are included in the notes payable – current portion.

Third, pursuant to a loan consolidation and extension promissory note with a lender, the principal payments expected to be paid within 12-months of November 30, 2022 and May 31, 2022 are \$4,436 and \$8,236, respectively, which are included in notes payable – current portion.

### Non-current Liabilities

On July 26, 2020 the Company was awarded a \$150,000 SBA EIDL with an interest rate of 3.75%, repayments deferred for two years and then monthly payments based on a 30-year term loan. As at November 30, 2022 and May 31, 2022, the long-term principal carrying value is \$147,070 and \$148,681, respectively.

### Shareholders' Deficit

As at November 30, 2022, the Company's shareholders' deficit of (\$9,947,430) compared to (\$8,957,826) at prior year-end, a deficit increase of \$989,604 due primarily to the net loss of (\$1,040,316) during the six-months ended November 30, 2022.

### Working Capital Deficiency

As at November 30, 2022, the Company's working capital deficiency of (\$9,822,171) (which is the amount the Company's current liabilities of \$10,281,196 exceeds the Company's current assets of \$459,025) compared to a working capital deficiency of (\$8,857,870) at prior year-end, an increase of \$964,301 or 10.89% due primarily to interest accruing on the Company's debt and increasing short-term loans. Company's management believes that much of the recently issued convertible debt and accrued interest will be converted to common stock due to the relatively low conversion price per share improving its working capital deficiency in the future (see Adjusted Working Capital Schedule below).

### **Financial Results for the six-months ended November 30, 2022, compared to the six-months ended November 30, 2021:**

The following discussion of the Company's results of operations is based on the Company's condensed consolidated interim financial statements for the six-months ended November 30, 2022 and November 30, 2021, which are reported on a comparative basis in all material respects.

## **Revenue**

For the six-months ended November 30, 2022, the Company's total revenue of \$636,029 compared to \$620,189 for the prior period, an increase of \$15,840 or 2.55% primarily due to the Company's CHRS Division expending resources developing its new DRG Review Services line of business. The DRG Review Services revenue for the six-months ended November 30, 2022 of \$173,563 compared to \$Nil for the prior period.

## **Cost of Revenue**

For the six-months ended November 30, 2022, the Company's total cost of revenue of \$653,820 (representing 102.8% of the Company's total revenues) compared to \$759,487 in the prior period (representing 122% of the Company's total revenues in the prior period). The net decrease in cost of revenue of \$105,667 or 13.91% is due primarily to the following:

**Direct Payroll Costs:** For the six-months ended November 30, 2022, the Company's direct payroll costs of \$559,987 compared to \$718,631 in the prior period, a decrease of \$158,644 or 22.08% due primarily to reducing personnel by four, and their related payroll taxes and healthcare costs.

## **Operating Expenses (General Overhead)**

For the six-months ended November 30, 2022, the Company's net general operating expenses of \$1,028,609 compared to \$997,297 for the prior period, an increase of \$31,312 or 3.14% due primarily to the following:

**Bad Debt Expense (Recovery):** For the six-months ended November 30, 2022, the Company's bad debt recovery was (\$1,447) compared to a bad debt expense of \$33,723 for the prior period, an improvement of \$35,170 due primarily to the result of a study of the past experience in collecting the estimated WIP receivable being applied during the period.

**Bank Charges and Interest:** For the six-months ended November 30, 2022, the Company's interest and bank charges of \$438,657 compared to \$419,295 for the prior period due primarily to conversions of convertible debt since the prior period exceeding the issuances of new convertible debt.

**Consulting Fees:** For the six-months ended November 30, 2022, the Company's consulting fees were \$74,000 compared to \$34,000 for the prior period primarily due to addition of consultants hired to focus on revenue growth.

**Foreign Exchange Gain:** For the six-months ended November 30, 2022, the Company's foreign exchange gain was \$209,515 compared to \$188,760 for the prior period due primarily to the foreign exchange rate changing from year to year.

General and Administrative Costs: For the six-months ended November 30, 2022, the Company's general administrative expenses of \$96,176 compared to \$121,847 for the prior period, a decrease of \$25,671 or 21.07% due primarily to less spent on telephone costs, office supplies and equipment rental.

Professional Fees: For the six-months ended November 30, 2022, the Company's professional fees were \$102,372 compared to \$19,992 for the prior period, an increase of \$82,380 or 412.06% due primarily to increased audit fees.

Salaries and Wages: For the six-months ended November 30, 2022, the Company's salaries and wages of \$441,709 compared to \$446,905 for the prior period, a decrease of \$5,196 or 1.16% due primarily to a change in the way overhead wages are allocated.

### **Other Income and (Expense)**

For the six-months ended November 30, 2022, the Company's net other income of \$6,084 compared to a net other income of \$213,194 in the prior period, a decrease of \$207,110 or 97.15% due primarily to the Company's derivative recovery of \$Nil compared to derivative recovery of \$230,574 for the prior period due primarily to the conversion of the variable convertible promissory notes.

### **Net Loss**

For the six-months ended November 30, 2022, the Company reported a net loss of (\$1,040,316) or (\$0.01) per basic and diluted income per share-based on 159,721,729 weighted average number of common shares compared to a net loss of (\$923,402) or (\$0.01) per basic and diluted income per share-based on 144,404,692 weighted average number of common shares for the prior period. The increase in net loss of \$116,914 over the prior period was due primarily to the lack of the derivative recovery in the current period offset by reductions in direct payroll expense when compared to the prior period.

### **Financial results comparison for the three-month periods ended November 30, 2022 and 2021:**

For the three-months ended November 30, 2022, the Company reported a net loss of (\$467,073) or (\$0.00) per basic and diluted loss per share based on 159,827,576 weighted average number of common shares compared to a net loss of (\$399,781) or (\$0.00) per basic and diluted income per share based on 144,404,692 weighted average number of common shares for the three-months ended November 30, 2021. The increase in net loss of \$67,292 or 16.83% over the prior period was due primarily to the following.

For the three-months ended November 30, 2022, the Company's revenue of \$332,763 compared to \$356,353 for the three-months ended November 30, 2021, a decrease of \$23,590 or 6.62% due primarily to the maturity of a couple older clients and the delays in onboarding of a couple newer clients.



For the three-months ended November 30, 2022, the Company's cost of revenue of \$270,105 compared to \$374,496 for the three-months ended November 30, 2021, a decrease of \$104,391 or 27.88% due primarily to reduction of staff.

For the three-months ended November 30, 2022, the Company's total operating expenses were \$528,557 compared to \$552,700 for the three-months ended November 30, 2021, a decrease of \$24,143 or 4.37% due primarily to an increase in the foreign exchange gain of \$44,538 offset by an increase in professional fees of \$76,900.

For the three-months ended November 30, 2022, the other income (loss), net of (\$1,174) compared to \$171,062 for the three-months ended November 30, 2021 due primarily to derivative recovery in the amount of 184,619 for the three-months ended November 30, 2021.

## **LIQUIDITY**

1. As at the date of this MD&A, the Company does not have sufficient working capital to cover its operating overhead either corporately or divisionally. Sources of capital are being identified to address working capital needs. Both equity and debt financings are being contemplated as potential sources of working capital. In order for the Company to fully support its operating costs, it must generate approximately \$250,000 per month in revenue. Presently, the CHRS division generates approximately \$100,000+ in monthly revenue. With many new revenue categories being identified by management, the near-term working capital problem is correctable. Fluctuations in liquidity will continue as long as the CHRS division operates at a loss. Reduction in staffing levels and /or modified work schedules are internal means by which the Company will control these variances.
2. The Company has liquidity risk associated with past due and maturing financial instruments. As at November 30, 2022, the Company had a cash balance of \$2,732 and total current liabilities of \$10,281,196, of which \$4,394,403 may be settled for common stock as more fully described in the Adjusted Working Capital Table.
3. The Company's working capital deficiency will be reduced if all convertible debt discussed in the MD&A is exercised. As at November 30, 2022, The Company's working capital deficiency (\$9,822,171) and as adjusted working capital deficiency of (\$5,427,768). The Company had to issue more debt to cover the losses that were incurred. There are no balance sheet conditions or income or cash flow items that may materially affect the Company's liquidity other than the ability to generate revenue from existing customer contracts. Readers are directed to Note 1 in the Company's condensed consolidated interim financial statements for the six-months ended November 30, 2022 and the Company's audited consolidated financial statements for the year ended May 31, 2022 for additional information.

## **ADJUSTED WORKING CAPITAL TABLE as at November 30, 2022**

Certive Solutions Inc.  
Adjusted Working Capital Calculation  
November 30, 2022

<b>Total Current Assets:</b>								<b>\$</b>	<b>459,025</b>
	<b>Shares</b>	<b>Convertible</b>	<b>Short Term</b>	<b>Accounts Payable &amp;</b>	<b>Note Payable</b>	<b>Total Adjusted</b>			
	<b>Outstanding</b>	<b>Debt</b>	<b>Loans</b>	<b>Accrued Liabilities</b>	<b>Current Portion</b>	<b>Current Liabilities</b>			
<b>Current Liabilities:</b>	<b>159,827,576</b>	<b>\$ 4,394,403</b>	<b>\$ 861,819</b>	<b>\$ 4,717,607</b>	<b>\$ 307,367</b>	<b>\$ 10,281,196</b>			
Conversion of Debt	77,513,825	(4,394,403)				(4,394,403)			
<b>Total Adjusted Current Liabilities</b>	<b>237,341,401</b>	<b>\$ -</b>	<b>\$ 861,819</b>	<b>\$ 4,717,607</b>	<b>\$ 307,367</b>	<b>\$ 5,886,793</b>			
<b>Adjusted Working Capital</b>								<b>\$</b>	<b>(5,427,768)</b>
<b>Working Capital Deficit</b>								<b>\$</b>	<b>(9,822,171)</b>

4. As at November 30, 2022, the Company's working capital deficiency of (\$9,822,171) and adjusted working capital deficiency of (\$5,427,768) are both serious issues for the Company. Management of the Company does not expect that cash flows for the Company's operations will be sufficient to cover its operating requirements, financial commitments and business development priorities during the next several months. The Company will need to obtain further financing in the form of debt, equity or a combination thereof for the next twelve months to fund operations. There can be no assurance that additional funding will be available to the Company, or, if available, that this funding will be on acceptable terms. If adequate funds are not available, the Company may be required to delay or reduce the scope of its operations.
5. As at November 30, 2022, there are currently no defaults or liabilities in arrears related to lease payments, interest and principal payments on debt, debt covenants, redemption or retraction or sinking fund payments, other than certain convertible notes in the aggregate amount of \$2,269,223 and certain accounts payable and accrued liabilities that are in arrears of \$4,342,600.
6. The Company has accrued but not paid interest on all of its convertible debt. The terms of the agreements with the company's note holders are that, in most cases, accrued interest expense may be convertible at the noteholders option into shares at defined prices during the term of the note. Depending on the stock price at the time, the Company anticipates that there may at times be demand for payment of principal and interest rather than opting for conversions to common stock.

### **CAPITAL RESOURCES**

The Company has no planned capital expenditures at the date of this MD&A. The allocation of capital during the following twelve months will be directed towards sales and marketing initiatives that will monetize the infrastructure presently in place and support the operating overheads of the public company.

### **OFF BALANCE SHEET ARRANGEMENTS**

As at November 30, 2022 the Company had no off-balance sheet arrangements.

## **PROPOSED TRANSACTIONS**

The Company does not have any other proposed transactions to discuss at this time.

## **TRANSACTIONS BETWEEN RELATED PARTIES**

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed. The Company's related parties consist of its Officers & Directors, Key Management Personnel ("KMPs"), Advisory Council members and companies owned in whole or in part by them as follows:

<b>Name</b>	<b>Position and nature of relationship</b>
UTA Holdings, LLC	Company controlled by advisory council member
SMA Group, LLC	Company controlled by key management personnel
Miller and Associates Environmental Consultants Inc.	Company controlled by the corporate secretary
Hyland Property Management Services LLC	Company controlled by officer and director
Lena V. LaMantia Trust	Company controlled by officer and director
Tim Hyland	Director, officer and former advisory council member
Tom Marreel	Director, officer and former advisory council member
Sheila Schweitzer	Independent director and advisory council member
Jeff Wareham	Independent director
Scott Thomas	Director and VP of investor relations
Mike Miller	Corporate secretary and chief legal officer
Ann Fierro	Key management personnel
Jeff Benton	Advisory council member
Arthur Pelberg, M.D.	Advisory council member
Jack Chapman	Advisory council member
Steve Schramm	Advisory council member
Don Gilbert	Advisory council member
J.J. Linder, M.D.	Advisory council member
John Orsini	Advisory council member
Tim Bricker	Advisory council member

The amounts due (to) or from the related parties are as follows:

	<b>Nature of relationship</b>	<b>November 30, 2022</b>	<b>May 31, 2022</b>
Accounts payable (Note 7)	Directors, key management personnel, and companies controlled by these parties	\$ 1,049,762	\$ 491,363
Convertible loans – face value (Note 8)	Directors	\$ 274,047	\$ 341,224
Convertible loans – face value (Note 8)	Advisory board member	\$ 421,498	\$ 352,437
Notes payable (Note 10)	Key management personnel	\$ 300,000	\$ 300,000
Short-term loans payable (Note 9)	Directors and key management	\$ 332,280	\$ 344,861

The Company incurred the following fees and expenses in the normal course of operations in connection with companies owned by key management and directors. Expenses have been measured at the exchange amount which is determined based on actual cost. There is no other remuneration of directors or other members of key management personnel during the three-months and six-months ended November 30, 2022 and 2021 are as follows:

	Six-months ended November 30, 2022	Six-months ended November 30, 2021	Three-months ended November 30, 2022	Three-months ended November 30, 2021
Salaries to key management personnel, included in operating costs and expenses	\$ 119,838	\$ 127,500	\$ 56,088	\$ 63,750
<b>Total</b>	<b>\$ 119,838</b>	<b>\$ 127,500</b>	<b>\$ 56,088</b>	<b>\$ 63,750</b>

## **CONTROLS AND PROCEDURES**

The Chief Financial Officer (“CFO”) is responsible for establishing and maintaining effective disclosure controls and procedures for the Company as defined in National Instrument 52-109 *Certification of Disclosure in Annual and Interim Filings*. Management has concluded that as of the date of this MD&A, discussion of disclosure controls and procedures is preemptive; however, once operations begin, such controls will be effective enough to provide reasonable assurance that material information relating to the Company would be known, particularly during the period in which reports are being prepared.

### **Disclosure Controls and Procedures**

The CFO is responsible for establishing and maintaining effective disclosure controls and procedures for the Company as defined in National Instrument 52-109 *Certification of Disclosure in Annual and Interim Filings*. Management has concluded that discussion of disclosure controls and procedures is preemptive; however, once operations begin, such controls will be effective enough to provide reasonable assurance that material information relating to the Company would be known, particularly during the period in which reports are being prepared.

### **Internal Control Over Financial Reporting**

The CFO is responsible for establishing and maintaining effective internal control over financial reporting as defined in National Instrument 52-109. Because of its inherent limitations, internal control over financial reporting may have material weaknesses and may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Management has concluded that internal control over financial reporting will be effective. The design and operation of internal control over financial reporting will provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with applicable generally accepted accounting principles.

Internal control over financial reporting will include those policies and procedures that establish the following: maintenance of records in reasonable detail that accurately and fairly reflect the transactions and dispositions of assets; reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with applicable generally accepted accounting principles; receipts and expenditures are only being made in accordance with authorizations of management and the Board of Directors; and reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of assets. Management will design internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

### **Segregation of Duties**

Currently duties have not been segregated due to the small number of individuals involved in this start-up. This lack of segregation of duties has not resulted in any material misstatement to the financial statements.

As the Company incurs future growth, management plans to expand the number of individuals involved in the accounting and finance functions. At the present time, the Chief Executive Officer and Chief Financial Officer oversee all material transactions and related accounting records. In addition, the Audit Committee of the Company reviews interim financial statements and key risks on a quarterly basis and query's management about any significant transactions.

### **Complex and Non-Routine Transactions**

The Company may be required to record complex and non-routine transactions. These sometimes will be extremely technical in nature and require an in-depth understanding of IFRS. Finance staff will consult with their third-party expert advisors as needed in connection with the recording and reporting of complex and non-routine transactions. In addition, an annual audit will be completed and presented to the Audit Committee for its review and approval.

### **Use of Estimates and Judgments**

The preparation of the consolidated financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements. Actual results could differ from these estimates.

## Critical Judgments

The preparation of these consolidated financial statements requires management to make judgments regarding the going concern of the Company, as previously discussed in Note 1 of the financial statements, as well as determination of functional currency. The functional currency is the currency of the primary economic environment in which an entity operates and has been determined for each entity within the Company. The functional currency for the Company and its subsidiaries has been determined to be the U.S. dollar.

## Key Sources of Estimation Uncertainty

Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements in conformity of IFRS requires management to make estimates that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates and such differences could be material. Significant estimates made by management affecting the consolidated financial statements include:

### 1. Shared-base payments

Estimating the fair value for granted stock options and compensatory warrants requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate model including the expected life of the option or warrant, volatility, dividend yield, and rate of forfeitures and making assumptions about them.

### 2. Useful lives of property and equipment and intangible assets

Estimates of the useful lives of property and equipment and intangible assets are based on the period over which the assets are expected to be available for use. The estimated useful lives are reviewed annually and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence, and legal or other limits on the use of the relevant assets. In addition, the estimation of the useful lives of the relevant assets may be based on internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in the factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances.

### 3. Recovery of deferred tax assets

Judgment is required in determining whether deferred tax assets are recognized on the statement of financial position. Deferred tax assets, including those arising from unutilized tax losses require management to assess the likelihood that the Company will generate taxable earnings in future years in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the reporting date could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future years.

### 4. Carrying values of tangible and intangible assets

The Company assesses the carrying value of its tangible and intangible assets annually or more frequently if warranted by a change in circumstances. If it is determined that carrying values of assets cannot be recovered, the unrecoverable amounts are charged against current earnings. Recoverability is dependent upon assumption and judgments regarding market conditions, costs of operations and sustaining capital requirements. Other assumptions used in the calculation of recoverable amounts are discount rates, and future cash flows. A material change in the assumptions may significantly impact the potential impairment of these assets.

### 5. Discount rates used in convertible debentures

The Company calculates the liability portion of convertible debentures by calculating the present value of the loan and related interest, using a discount rate equal to the market rate that would be given for similar debt, without a conversion feature. Management determines this rate by assessing what rate the Company could borrow funds at from an unrelated party.

### 6. Contingencies

By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

## **Determination of Functional Currency**

The functional currency is the currency of the primary economic environment in which the entity operates. Management has determined that the functional currency for the Company is the U.S. dollar. The functional currency determination was conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

## **LEGAL MATTER**

The Company filed litigation against the Company's former CFO in an attempt to recover penalties and interest costs, which resulted from the former CFO's failure to submit payroll withholding taxes to the Internal Revenue Service ("IRS") for an approximate 18-month period during 2017-2018. Pursuant to a payment plan negotiated with the IRS, the Company previously paid \$175,000 to the IRS towards satisfaction of those liabilities. On September 28, 2020, the Company submitted an Offer-in-Compromise to the IRS regarding this matter. The IRS initially denied the Company's request, which was upheld by the IRS Independent Office of Appeals. The Company then sent the IRS a formal request to waive the penalties and interest, which was recently denied by the IRS. The Company is preparing an appeal.

As the result of a settlement conference conducted by a judge in August 2021, the Company and its former CFO reached a settlement. As of May 31, 2022, the settlement proceeds of \$40,000 cash and 2,950,000 shares of stock of the Company valued at \$147,500 are held in escrow for payment to the IRS and are recorded by the Company as restricted assets totaling \$187,500. In October 2022, the escrow agent (attorney) remitted the \$40,000 to the IRS to be applied to the oldest quarter for which payroll withholding taxes are due to the IRS. Related to the periods of time mentioned above, included in accrued liabilities is a payroll tax liability of \$299,895 as November 30, 2022.

## **SUBSEQUENT EVENTS**

None other than those disclosed above in the section titled Material Events Subsequent to November 30, 2022.

## **FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS**

### **Financial Assets and Liabilities**

All financial instruments are initially recognized at fair value on the statement of financial position. The Company has classified each financial instrument into one of the following categories: (1) financial assets or liabilities at fair value through profit or loss ("FVTPL"), (2) loans and receivables, (3) financial assets available-for-sale, ("AFS"), (4) financial assets held-to maturity, and (5) other financial liabilities. Subsequent measurement of financial instruments is based on their classification.

Financial assets and liabilities at FVTPL are subsequently measured at fair value with changes in those fair values recognized in net earnings. Financial assets, AFS, are subsequently measured at fair value with changes in fair value recognized in other comprehensive income (loss), net of tax. Financial assets "held-to-maturity", "loans and receivables", and "other financial liabilities" are subsequently measured at amortized cost using the effective interest method. The Company's financial assets and liabilities are recorded and measured as follows:



<u>Asset or Liability</u>	<u>Category</u>	<u>Measurement</u>
Cash	FVTPL	Fair value
Marketable securities	AFS	Fair value
Receivables	Loans and receivables	Amortized cost
Accounts payable	Other liabilities	Held to maturity
Convertible debt	Other liabilities	Amortized cost
Short term loans	Other liabilities	Amortized cost
Note payable	Other liabilities	Amortized cost
Derivative liability	FVTPL	Fair value

The Company determines the fair value of financial instruments, according to the following hierarchy, based on the number of observable inputs used to value the instrument.

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 – Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 – Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

Cash and marketable securities are measured at fair value using Level 1 inputs. The derivative liability has been measured at fair value using level 3 inputs.

### **Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to discharge an obligation. The Company is subject to normal industry credit risks. The Company's other receivable balance may consist of amounts outstanding on Harmonized Sales Tax Credits from Canada Revenue Agency. Therefore, the Company believes that there is minimal exposure to credit risk.

### **Liquidity Risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due.

### **Interest Risk**

Interest risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates is currently immaterial.

## **Currency Risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Certain cash and convertible notes of the Company are denominated in Canadian currency and exposes the Company to certain currency risks.

**Shares Authorized** - Unlimited common shares without par value.

## **Shares Issued and Outstanding:**

<b>Number Outstanding as at:</b>	<b>November 30, 2022</b>	<b>January 27, 2023</b>
Common shares	159,827,576	160,577,576
Stock options	7,350,000	7,350,000

## **BASIS OF PRESENTATION**

Please refer to Note 2 of the Company's condensed consolidated interim financial statements of the Company as at and for the six-months ended November 30, 2022.

## **SIGNIFICANT ACCOUNTING POLICIES**

Please refer to Note 3 of the Company's condensed consolidated interim financial statements of the Company as at and for the six-months ended November 30, 2022.

## **CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION**

A number of new standards, amendments to standards and interpretations are not yet effective as at the date of issuing these statements and have not been applied in preparing these financial statements. The Company has not early adopted any of the new standards and is currently evaluating the impact, if any, that such standards might have on the Company's financial statements. Please refer to Note 3 of the Company's condensed interim consolidated financial statements as at and for the six-months ended November 30, 2022.

## **RISK FACTORS AND UNCERTAINTIES**

### **Strategic and Operational Risks**

Strategic and operational risks are risks that arise if the Company fails to develop its strategic plans. These strategic opportunities or threats evolve from a range of factors which might include changing economic and political circumstances and regulatory approvals and competitor actions. The risk is mitigated by consideration of other potential development opportunities and challenges which management may undertake.

## **Other Risk Factors**

In evaluating an investment in the Company's shares, in addition to the other information contained or incorporated by reference herein, investors should consider the following risk factors. The following risk factors are not intended to be a definitive list of all risk factors associated with the Company and its business:

### *General and Industry Risks*

The Company's business objectives in the next 12 months are to establish, by November 30, 2021, (i) an expanded profitable operating business that can be sustained on an ongoing basis, (ii) a strong market position that will permit the company to rapidly and profitably expand the market for its products, and (iii) significant competitive advantages that will permit the company to sustain its market shares and profit margins.

### *Securities and Dilution*

The only source of funds presently available to the Company is through the sale of equity capital or the assumption of debt. There is no assurance that such sources of financing will be available on acceptable terms, if at all. If the Company seeks additional equity financing, the issuance of additional shares will dilute the interests of their current shareholders. Failure to obtain such additional financings could result in delay or indefinite postponement of the Company's strategic goals.

### *Competition*

The Company's industries of focus are intensely competitive in all of its phases, and the Company will compete with many companies possessing greater financial resources and technical facilities than the Company.

### *Conflicts of Interest*

There are directors and senior officers in the Company that hold senior level positions in other companies. If any disputes arise between these organizations and the Company, or if these organizations undertake transactions with a Company's competitor, there exists the possibility for such directors and senior officers to be in a position of conflict. Any decision or recommendation made by these persons involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other organizations. In addition, as applicable, such directors and officers will abstain from voting on any matter in which they have a conflict of interest.

### *No History of Earnings or Dividends*

As a Venture Issuer, the Company has no history of earnings, and there is no assurance that the Company will generate earnings, operate profitably, or provide a return on investment in the future. The Company has no plans to pay dividends for the foreseeable future.

### Potential Profitability Depends Upon Factors Beyond the Control of the Company

The potential profitability of the Company is dependent upon many factors beyond the Company's control. Profitability also depends on the costs of operations, including costs of labor and occupancy costs, regulatory compliance and other professional fees. Such costs will fluctuate in ways the Company cannot predict and are beyond the Company's control, and such fluctuations will impact on profitability and may eliminate profitability altogether. Additionally, events that cause worldwide economic uncertainty may make raising of funds difficult. These changes and events may materially affect the financial performance of the Company.

### Dependency on a Small Number of Management Personnel

The Company is dependent on a relatively small number of key personnel, the loss of any of whom could have an adverse effect on the Company and its business operations.

### Failure to Perform Contracts

Contracts for the Company's services may include penalties and/or incentives related to performance, which could materially affect operating results. Management provides for any anticipated penalties against contract value.

### Project Performance

Any inability of the Company to execute customer projects in accordance with requirements, including adherence to timetables, could have a material adverse effect on the Company's business, operations, and prospects.

### Intangible Asset Impairment

The Company has recognized the value of its contracts and customer list as an intangible asset. The Company assesses these assets periodically to evaluate if value recognized as an asset has become impaired. If the Company were to determine that the applicable expected future cash flows do not support the intangible asset book values, impairment would need to be recognized that could have an adverse impact on the financial results of the Company such as occurred as at November 30, 2018.

### Future Capital Requirements

The Company's future capital requirements will depend on many factors, including inorganic growth initiatives, securing new contracts, the rate of expansion and the status of competitive products. Depending on these factors, the Company may require additional financing which may or may not be available on acceptable terms. If additional funds are raised by issuing equity securities, dilution to the existing shareholders may result. If adequate funds are not available, the Company may not be able to achieve its growth objectives and operational targets, which could have a material adverse effect on the Company's business.

## **FORWARD LOOKING FINANCIAL STATEMENTS**

The information set forth in this MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are preceded by, followed by or include the words “may,” “will,” “projects,” “believes,” “expects,” “anticipates,” “estimates,” “intends,” “plans,” “forecasts,” or similar expressions. Forward-looking statements are not guarantees of future performance. These forward-looking statements are based on current expectations that involve numerous risks and uncertainties, including, but not limited to, those identified in the Risk Factors and Uncertainties section. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are reasonable, but any of which could prove to be inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements.

In this MD&A, the Company has specifically noted the forward-looking nature of comments where applicable. Generally, readers should be aware that forward-looking statements included or incorporated by reference in this document are related to its operating subsidiary CHI. At the date of this MD&A these comments on forward looking matters are relevant and should be considered by readers.

## **CONTACT INFORMATION**

### **Officers and Directors**

Tom Marreel	Chairman of the Board and CEO
Tim Hyland	Director, CFO and Treasurer
Scott Thomas	Director, VP Investor Relations
Jeffrey Wareham	Director, Chair - Audit Committee
Sheila Schweitzer	Director, Chair - Governance, Compensation and Nominations Committee
Michael Miller	Corporate Secretary and Chief Legal Officer

### **Operational Headquarters**

Certive Solutions Inc.  
Certive Health Inc.  
Advantive Information Systems Inc.  
8149 North 87<sup>th</sup> Place  
Scottsdale, Arizona 85258  
(480) 922-5327

### **Operational Subsidiaries**

Certive Health Revenue Solutions Inc.  
(formerly known as “Omega Technology Solutions Inc.”)  
(Currently Operating Remotely)  
Ft. Lauderdale, Florida  
(800) 559-8009

Certive Health Compliance Solutions Inc.  
8149 North 87<sup>th</sup> Place  
Scottsdale, Arizona 85258  
(480) 922-5327