MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

This Management's Discussion and Analysis ("MD&A") for Ortho Regenerative Technologies Inc. (the "Corporation" or "Ortho RTI") provides an overview of the Corporation's operations, performance and financial results our fourth quarter and fiscal year ended on January 31, 2021 and compares those of the same period in fiscal year 2020. This MD&A is the responsibility of management and has been reviewed and approved by its Board of Directors. The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the MD&A. The Board of Directors carries out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Board of Directors and is comprised of financially literate directors. This report was reviewed by the Corporation's Audit Committee and approved by Ortho RTI's Board of Directors on May 25, 2021. This document should be read in conjunction with the audited financial statements and notes thereto for the fiscal year ended on January 31, 2021 which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Further information about Ortho Regenerative Technologies Inc.., including the Annual Information Form, is available online on SEDAR at www.sedar.com.

Unless otherwise noted, all amounts are presented in thousands of Canadian dollars, except for share and per share amounts.

Going concern

This MD&A has been prepared on a going-concern basis, which implies that the Corporation will continue realizing its assets and discharging liabilities in the normal course of business for the foreseeable future. As reflected in the annual audited financial statements, the Corporation is still a clinical stage R&D company and has not yet achieved profitability. During the year ended on January 31, 2021, the Corporation incurred a net loss of $3,772, and used cash in operations of $2,981. As at year-end 2021, the Corporation had a working capital balance of $2,377. Despite the positive working capital as at January 31, 2021, the Company's performance raises significant doubt about the Company's ability to continue as a going concern.

Accordingly, the ability of the Corporation to realize the carrying value of its assets and continue operations as a going concern is dependent upon its ability to obtain additional financing and ultimately on generating future profitable operations. Management anticipates that the continued advancement of its lead Ortho-R program will facilitate securing additional funds from existing and new investors. There is no assurance that any fund-raising initiatives will be successful. Factors within and outside the Corporation's control could have a significant bearing on its ability to obtain additional financing. The financial statements as at and for the year ended January 31, 2021 do not include any adjustments related to the carrying values and classifications of assets and liabilities that would be necessary should the Corporation be unable to continue as a going concern.

Covid-19 pandemic

The outbreak of a novel strain of coronavirus, identified as "COVID-19", was declared a global pandemic by the World Health Organization on March 11, 2020 and is still adversely affecting the global economy despite the efforts by local governments to vaccinate their populations and reduce the economic adverse effects of COVID-19. In response, many countries have required entities to limit or suspend business operations and implemented travel restrictions and quarantine measures. Some non-essential activities were canceled or delayed due to COVID-19. These measures have disrupted the activities of many entities and have led to significant volatility in the global markets. The Corporation continues to monitor and actively manage the developing impacts from COVID-19, including but not limited to, the effect on the Corporation's clinical development phases, potential future effects on its assets, cash flow and liquidity, and will continue to assess impacts to the Corporation's operations, going concern assumption, and the value of assets and liabilities reported in its financial statements. Management believes that the progress made in the US in fighting the pandemic will trigger an acceleration of the elective orthopedic surgeries which have been subject to delays over the last year. Elective surgeries levels are key to ensure enrollment in our US Phase I/II clinical trial on rotator cuff tear repair.

Non-IFRS Financial Measures

This MD&A refers to certain non-IFRS measures. Management uses these non-IFRS financial measures for purposes of comparison to prior periods and development of future projections and earnings growth prospects. This information is also used by management to measure the results of ongoing operations and in analyzing our business performance and trends. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of our results of operations from management's perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. We use a non-IFRS measure, "EBITDA", to provide supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS financial measures. EBITDA is defined as net income (loss) before (i) provision for (recovery of) income taxes; (ii) interest (income) expense and other financing costs; (iii) depreciation; and (iv) amortization of intangible assets.

(In thousands of Canadian dollars, except for units, share and per share amounts)

Cautionary note regarding forward-looking statements

This MD&A may contain some forward-looking information as defined under applicable Canadian securities laws. Forward looking information can generally be identified using forward-looking terminology such as "may", "anticipate", "expect", "intend", "estimate", "continue" or similar terminology. Forward looking information is subject to various known and unknown risks and uncertainties, many of which are beyond the ability of the Corporation to control or predict, that may cause the Corporation's actual results or performance to be materially different from actual results and are developed based on assumptions about such risks and other factors set out herein.

GLOSSARY TERMS

Calendar & Financial

CDU	Convertible Debenture Units
EBITDA (L)	EBITDA Loss
FY-20	Fiscal Year ended January 31, 2020
FY-21	Current Fiscal Year ended January 31, 2021
G&A	General and Administrative
IR	Investors Relations
ITC	Investment tax credits
Q4-21	Fourth quarter FY-21
Q3-21	Third quarter FY-21
Q2-21	Second quarter FY-21
Q1-21	First Quarter FY-21
Q4-20	Fourth quarter FY-20
Q3-20	Third quarter FY-20
Q2-20	Third quarter FY-20
Q1-20	First quarter FY-20
SR&ED	Scientific Research and Experimental Development
R&D	Research and Development
YTD	Year to date
YE-21	Year-end 2021 – January 31, 2021
YE-20	Year-end 2020 – January 31, 2020
W/C	Working Capital, defined as short-term assets less short-term liabilities

Corporate & Operations

API	Active Pharmaceutical Ingredient
CDUs	Convertible debenture units
CMC	Chemistry Manufacturing and Controls
cGMP	current Good Manufacturing Practice
CMO	Contract Manufacturing Organization
CSE	Canadian Securities Exchange
FDA	US Food and Drug Administration
IND	Investigational New Drug application with the FDA
MCRA	MCRA, LLC, a US based orthopedic specialty CRO
MRI	Magnetic Resonance Imaging
MTA	Material Transfer Agreement
NCDUs	Non-Convertible Debenture Units
Ortho RTI	Ortho Regenerative Technologies Inc.
Ortho-C	Proprietary biopolymer for Articular Cartilage repair
Ortho-M	Proprietary biopolymer for Proprietary Biopolymer for Meniscus repair
Ortho-R	Proprietary biopolymer for Rotator cuff repair
Ortho-V	Proprietary biopolymer for Osteoarthritis healing
OTCQB	US over-the-counter venture trading market
Polytechnique	Ecole Polytechnique de Montreal
PRP	Platelet-rich plasma
Pre-RFD	Pre-Request for Designation

OVERVIEW OF THE BUSINESS AND BUSINESS STRATEGY

Ortho RTI has been incorporated under the Canada Business Corporations Act. The Corporation's head office, principal address and registered office is located at 16667 Hymus Blvd., Kirkland, Quebec, Canada. The Corporation's shares are publicly traded on the CSE under the symbol "*ORTH*", as well as on the United States OTCQB market under the symbol "ORTIF". The Corporation has 34,567,600 common shares that are issued and fully paid as at January 31, 2021.

The Corporation is an emerging Orthopaedic and Sports Medicine biologics company dedicated to the development of novel therapeutic soft tissue repair technologies to dramatically improve the success rate of orthopaedic and sports medicine surgeries. The Corporation's proprietary biopolymer has been specifically designed to increase the healing rates of occupational and sports related injuries to tendons, ligaments, meniscus, and cartilage. The biopolymer – autologous PRP combination implant, can be directly placed into the site of injuries by surgeons during routine operative procedures without significantly extending the duration of surgeries and without further interventions. The Corporation's technology was developed at Polytechnique, and senior researchers at Polytechnique are still actively involved in the day-to-day development of Ortho RTI's pipeline.

Development Pipeline

Ortho RTI's lead program is Ortho-R, a biopolymer-PRP bioactive implant, specifically designed to guide and accelerate the repair of various musculoskeletal conditions. The Corporation is aiming to assess the clinical efficacy of Ortho-R, initially for Rotator Cuff repair. Ortho-R can also be used to accelerate the healing of other soft tissues such as ligaments and meniscus (see Ortho-M).

Ortho RTI's pipeline includes four active R&D projects:

Program	Development Stage	Indication	Details
Ortho-R	Clinical Phase I/II	Rotator Cuff	Ortho-R is designated as a Drug/Biologic combination product by the FDA Office for Combination Products. The jurisdictional assignment for Ortho-R is the Center for Biologics Evaluation and Research (CBER). A US IND has been filed on April 6th, 2021, with the FDA to obtain approval to initiate a 78 patient Phase I/II clinical trial to test Ortho-R in the repair of rotator cuff tears as an adjunct to standard of care surgery, versus standard of care surgery alone. After clearance of our IND by the FDA and site's Clinical Review Board's approval, enrollment may start in 8-10 clinical sites which are undergoing qualification, budget negotiation and training procedures. Enrollment is expected to start by the end of Q2-FY22 and to be completed 6 to 8 months after.
Ortho-M	Pre-Clinical	Meniscus	Testing the efficacy of our biopolymer-PRP bioactive implant for meniscus repair. Efficacy of our product has already been demonstrated in a large animal pilot study. The next stage is to validate our model in a large animal pivotal study starting in FY-22, before entering into human clinical trial.
Ortho-C	Pre-Clinical	Cartilage repair	Testing our freeze-dried matrix with ultra-high porosity designed to augment bone marrow stimulation procedures for articular cartilage repair, including microfracture and drilling. Efficacy of our product has already been demonstrated in a preclinical pilot study.
Ortho-V	Feasibility	Osteoarthritis	Feasibility research on a freeze-dried biopolymer formulation combined with autologous biologics, tailored for intra-articular injections to provide the combined visco-biologics supplementation of articular joints and potentially gain disease modification outcomes in applications such as Osteoarthritis.

Considering the significant bioactivity and residency of our proprietary biopolymer – PRP implants, Ortho RTI continues to assess its potential for therapeutic uses outside of the soft tissue repair market.

Ortho-R for Rotator Cuff repair

Ortho-R is a patent protected freeze-dried formulation that contains a biopolymer, a lyoprotectant and a clot activator. This freeze-dried formulation can be solubilized in platelet-rich plasma ("PRP") to form injectable bioactive implants that coagulate after implantation. Extensive in vitro testing has allowed the Corporation to identify specific formulations that meet the criteria for optimal commercial products:

(i) rapid and complete solubilization in PRP;

(ii) biopolymer-PRP mixtures having paste-like handling properties desired by surgeons;

(iii) biopolymer-PRP mixtures that coagulate rapidly to form solid biopolymer-PRP hybrid biologics implants;

(iv) biopolymer-PRP biologics implants that are mechanically stable and resist platelet-mediated clot retraction; and

(v) dispersion of the biopolymer in the implants that is homogenous for optimal biodegradability.

The use of Ortho-R in conjunction with standard of care suturing techniques produced promising histological findings in small and large animal models, which is expected to translate into superior rotator cuff repair for humans. No adverse events were found in any of the above-mentioned animal studies, which suggests a high level of safety. Progress made during the recent quarters have set the stage for achievements of major corporate/regulatory/strategic milestones over the current and upcoming calendar years.

Preclinical:

Earlier in FY-21, we have successfully completed the preclinical pivotal study's safety and clinical histology analysis, statistical analysis and final report. The study's final report confirmed the safety of Ortho-R as well as the evidence that our biologics hybrid implant delivered as an adjunct to standard of care surgery, improves tendon, tendon insertion site and overall repair in Rotator Cuff Tear repair compared to standard of care surgery alone. https://www.orthorti.com/cms_files/phpfQwJvt.pdf

Regulatory:

In Q2-21, we have received from the US FDA Office of Combination Products, the Ortho-R product designation as a Drug/Biologics combination product. Ortho- R has various physicochemical interacting actions on various cell types and other PRP components, therefore supporting a combination product with the Ortho-R reconstituted in PRP considered a Drug/Biologics that is delivered through accessory Devices. The product's jurisdictional assignment is to the FDA's Center for Biologics Evaluation and Research (CBER). There are multiple merits of a Drug/Biologics therapeutic combination product. One of them is the ability to have a multiple mode of action label, related to the various interactions between our proprietary biopolymer and PRP, which may justify the scientific rationale behind the product's therapeutic effect.

Investigational New Drug (IND) filing has taken place on April 6, 2021. FDA review is progressing, and clearance of our IND is imminent, and this will enable us to initiate our first human clinical trial for testing Ortho-R for rotator cuff tear repair in Q2-21 calendar. ***Clearance of our IND by the FDA will represent a significant milestone for the Corporation.***

Manufacturing & CMC:

Our cGMP clinical lot production has been successfully completed earlier this year and such material will be used in our upcoming Phase I/II human clinical trial for testing Ortho-R in rotator cuff tear repair. The batch will also provide sufficient material to support our Meniscus tear repair preclinical program, expected to be initiated in 2021 calendar.

Clinical Program:

While waiting for our IND clearance we have continued to set the stage for the commencement of our US multi-center Phase I/II clinical trial. Activities focus were mainly on protocol, patients' assessment EDC system, MRI procedure protocol and system, clinical sites considerations. Clinical trial patients' enrollment is expected to start in Q2-22, immediately after Clinical Review Boards (CRB) approvals from the various clinical testing centers involved in our Phase I/II study and IND submission approvals by the FDA.

During the quarter, the Corporation has tried to mitigate the impact of the COVID-19 pandemic as much as possible. We believe that the significant progress made in the US in fighting the pandemic will favor a substantial increase in elective rotator cuff repair surgeries across the United States in 2021 compared to 2020. This will play a big role in our ability to accelerate patient screening and recruitment for inclusion in our upcoming Phase I/II clinical trial.

The following tables presents a summary of the past and projected milestones based on calendar quarters/years for the 2019-2022 period, including progress as compared to prior MD&A reporting:

(In thousands of Canadian dollars, except for units, share and per share amounts)

Past and Projected Milestones	Calendar Year 2019-2023		Calendar Quarters/Years											
			2019	Q1-20	Q2-20	Q3-20	Q4-20	Q1-21	Q2-21	Q3-21	Q4-21	H1-22	H2-22	H1-23
Corporate / Strategic	MTA collaboration - initial Phase	Initial Phase	☑											
	MTA collaboration - Step 2	On-Hold (Covid-19)			⊙									
	Licensing Agreement - Ingenew Pharma				☑									
Finance	US OTC-QB Listing					➔	■							
	Debenture Financings		☑		☑									
	Private Placement - Unit Offering ($2.6M)					☑								
	Non-Convertible Debenture Financing ($3M)						☑							
Ortho-R Rotator Cuff repair Progam	CMC Manufacturing	Scale-up	➔	☑										
		Stability 2yrs - shelf life data	➔		☑									
		Stability 3yrs - shelf life data	➔									■		
		Clinical batch			➔			☑						
	6-month pivotal animal trial	in-life portion	☑											
		results			☑									
	Pre-IND Meeting - FDA		☑											
	US-FDA IND	Filing Pre-RFD		☑										
		Drug/Biologic Designation			☑									
		IND Preperation					☑							
		IND filing							☑					
		IND approval							■					
	US Phase I/II Clinical trial	CRO Selection	☑											
		Protocol completion				☑								
		Lead Investigator selection				☑								
		Study sites selection						➔	■					
		Clinical sites qualification & training							■					
		Phase I/II trial START							➔					
		First patient enrolled								■				
		50% enrolment completed									■			
		enrolment completed										■		
		12-mth patient follow up completed												■
		Study results												■
Ortho-M Meniscus Program	6-month Large animal pivotal trial	CRO Selection and Protocol						☑						
		in-life portion Start							➔					
		3-mth in life data									■			
		in-life portion Ends										■		
		study-results										■		

➔ Initiation
■ Current Target

☑ Completed
☑ Completed since last MD&A
⊙ On-Hold

new
on track

Note that, when setting the above timelines, management has not considered any further delays that could take place as a result of the Covid-19 pandemic. Additional information relating to the Corporation can be found on SEDAR at www.sedar.com.

Fiscal Year 2021 CORPORATE HIGHLIGHTS

Ortho-R Program

- On March 12, 2020, Ortho RTI announced positive results following completion of its MRI segment analysis of its pivotal preclinical study in Rotator Cuff Tear repair. The results confirmed the safety profile of Ortho-R treatment as well as statistical significance over standard-of-care control. The results demonstrated a statistically significant decreased in MRI tendon gap measurement, which is indicative of faster restauration of tissue structure. The MRI also showed a higher signal intensity ratio at the humeral head at 6 months with standard of care control, compared to ORTHO-R treatment. Higher SI ratio is indicative of less trabecula (bone structural tissue), more fluid, or combination thereof. Severe heterotopic ossification (HO) was less frequent with Ortho-R treatment as scored by MRI. HO is a condition of abnormal formation of bone in tissue. The formation of HO around the shoulder is a rare but potentially debilitating condition (Hallock 2019). These successful MRI analysis results clearly demonstrated the superiority of the Ortho-R treatment over standard of care control, in our "state-of-the-art" pivotal large animal study.

- On March July 23, 2020, Ortho RTI announced new positive results following completion of its pivotal preclinical study report in Rotator Cuff Tear (RCT) repair under Good Laboratory Practices (GLP) conditions. The study compares Standard of Care (SOC) surgery augmented with Ortho-R 2mL or Ortho-R 3mL (Chitosan-PRP) treatment groups, versus SOC alone as a control.

  The new results from the completion of the statistical analysis of the histological data performed respectively by independent biostatisticians and licensed veterinarian pathologists blinded to treatment groups, confirms evidence of better tendon and insertion site histology and overall repair in RCT treated with Ortho-R.

  The statistical results report details analyses of histological scoring at 6 months postintervention performed by Biomedical Statistical Consulting in support of the Ortho Regenerative Technologies sponsored study of 6-month rotator cuff repair in a mature female sheep model. Analyses include between-group comparisons and dose response analyses of histological scores for infraspinatus tendon (ISP tendon), infraspinatus enthesis (ISP tendon insertion site) and overall repair (ISP pan-enthesis).

  For ISP tendon measurements, data are consistent with less severe cellularity in Ortho-R treated groups, indicative of a more normal tissue ($p = 0.031$, c-stat = 0.625). Moreover, all Ortho-R treated samples had no inflammatory cells observed in tendon tissue, compared to 42% of controls having minimal to moderate inflammatory cell scores, indicating there was no inflammation in Ortho-R treated groups ($p = 0.002$, cstat = 0.708). For ISP tendon insertion site measurements, the Ortho-R treated groups were associated with an increase in the proportion with no change or normal glycosaminoglycan (GAG) staining compared to the controls ($p = 0.071$, c-stat = 0.688). For ISP pan-enthesis measurements (overall repair), evidence is consistent with more complete remodeling/healing within the Ortho-R treated groups compared to controls, as well as a dose-response association favoring improved remodeling/healing. In combined analyses, one-third (n=8/24) of Ortho-R treated samples had complete healing with a smaller degree of remodeling, whereas none of the control samples fell within this category or better ($p = 0.019$, c-stat = 0.726). There was also some evidence of more normal GAG staining compared to controls, particularly within the Ortho-R 3 mL group; 100% of the Ortho-RT 3 mL group had normal GAG staining ($p = 0.016$, cstat = 0.774), whereas 75% were normal and 25% mild in the Ortho-R 2 mL group ($p = 0.118$, c-stat = 0.677) and 67% normal and 33.3% mild within controls.

  The c-statistic provides an estimation of the effect size (in this study, c-stat from 0.6 – 0.7 and > 0.7 were considered as moderate and strong evidence of a relationship). A low p value combined with a c-stat value > 0.6 indicates that statistical significance observed is due to moderate to large effect sizes. The veterinarian pathologist histology report conclusion highlights "The microscopic appearance of comprehensive ISP tendon enthesis healing (i.e. based on the overall quality of healing across the entire anatomic site), Ortho-R tended to have more complete healing of the enthesis site. This corresponded microscopically to an overall better structured, well-organized enthesis site, with distinct, regular well-organized tendon bundles, and fibrocartilage, generally combined with a lower score or magnitude of the bone remodeling.", indicating that Ortho-R treated groups had structural organization closer to normal overall.

- On August 6, 2020 – Ortho RTI announced that Ortho-R is designated as a Drug/Biologic combination product, by the FDA Office for Combination Products. The jurisdictional assignment for Ortho-R will be the Center for Biologics Evaluation and Research (CBER). Previously, on March 26th, 2020, the Corporation had submitted a pre-Request for Designation application to the FDA's Office for Combination Products to seek for guidance on designation status for Ortho-R product, a Chitosan-based matrix biopolymer mixed with Platelet Rich Plasma (PRP) to form an in-situ deliverable biologic implant to augment the repair of Rotator Cuff Tears after standard of care surgery. During the evaluation period, technical, scientific and preclinical information was exchanged with the FDA, and multiple rounds of questions and clarifications were addressed. This substantial information demonstrated that Ortho-R has various physicochemical interacting actions on various cell types and other PRP components, therefore supporting a combination product with the Ortho-R reconstituted in PRP considered a Drug/Biologics that is delivered through accessory Devices.

Financing

- On April 22, 2020, the Corporation completed a non-brokered private placement for $1,060 worth of unsecured convertible debentures units ("CDUs") at a price of $1 (one thousand) per units. The debentures bear interest at a rate of 10% per annum with a maturity date of April 21, 2022. The debentures are convertible at a price per Class A common shares of $0.30, in whole or in part, at the option of the holder at any time prior to the close of business on the last business day immediately preceding the maturity date. Each CDU consisted of one $1 ($ one thousand) principal amount unsecured convertible debenture and 2,000 share purchase warrants, each exercisable into one common share of the Corporation at $0.50 per share two (2) years from issuance. In the event that the average VWAP over any twenty (20) consecutive trading days is greater or equal to $1.00, the Corporation may give notice to the warrant holder that it must exercise its remaining warrants within a period of 30 days from the date of receipt of the notice, failing which the warrants will automatically expire. The "average VWAP" is the average of the volume weighted average market prices of the Corporation's Class "A" Shares on a single day. The private placement included $395 of contributions from insiders which represented 37% of all subscriptions. This continued support from insiders represents a significant endorsement of the Corporation's development programs and other fast-developing corporate initiatives.

- On August 24, 2020 – Ortho RTI closed of a $2.5 million non-brokered private placement of units (the "Private Placement" or "Unit Offering"). The Company issued 7,733,812 units (the "Units") at a purchase price of $0.32 per Unit for total gross proceeds of $2,475. Each Unit consists of one (1) class A share of the Company (a "Share") and one (1) Share purchase warrant of the Company (a "Warrant"). Each Warrant is exercisable into one (1) Share in the capital of the Company (a "Warrant Share") at the price of $0.50 per Warrant Share for a period of 36 months from closing. In the event that the daily VWAP over any twenty (20) consecutive trading days is greater or equal to $1.00, the Company may give notice to the Warrant holder, at any time after February 5 , 2021, that all remaining Warrants must be exercised within a period of 30 days from the date of receipt of the notice, failing which the Warrants will automatically expire. The "VWAP" is the average of the volume weighted average market price of the Company's Common Shares on a single day. The Common Shares and the Warrants issued under the Private Placement are subject to a statutory 4-months hold period under the applicable securities laws. The Company paid $51 in finder's fees in connection with the Private Placement. No broker or agent was involved in the transaction. The net proceeds of the Offering will be used to fund the following ongoing value creation activities: 1) Securing FDA's approval to start our US clinical trial on ORTHO-R for rotator cuff tear repair 2) Manufacturing GMP Clinical Trial batch for Ortho-R 3) Completing US clinical trial investigation sites selection, setting, and training 4) Starting US clinical trial patients enrolment activities 5) Secure US exchange listing for Ortho RTI's shares 6) General and administrative corporate purposes. Senior executives, including the Chief Executive Officer, two Directors, family members and 1 senior staff member participated in the Private Placement for an aggregate amount of $353.

- On September 2, 2020 – Ortho RTI announced that it has completed an additional $138 non-brokered private placement of units (the "Additional Private Placement"). The Additional Private Placement was conducted at the same terms as the August 21, 2020 Unit Offering bringing the overall gross proceeds raised through the two private placements to $2.6 million. The Company issued an additional 430,000 units (the "Units") at a purchase price of $0.32 per Unit for total gross proceeds of $138. No broker or agent was involved in the transaction.

- On October 28, 2020 – Ortho RTI announced that its shares started trading on the OTCQB market in the United States under the symbol "ORTIF". The listing of its shares on the OTCQB will facilitate access to our securities for U.S. institutional and retail investors. This listing is part of Ortho RTI's strategy to broaden its shareholder base while increasing liquidity for all the Company's shares. The OTCQB Venture Market is the premiere marketplace for early stage and developing U.S. and international companies.

- On December 3, 2020 – Ortho RTI announced that it has completed a non-brokered private placement of secured non-convertible debenture units for gross proceeds of $3.0 million (the "Offering"). The Company issued 3,000 secured non-convertible debenture units ((the "NCDUs") at a price of $1,000 per Debenture Unit for total gross proceeds of $3.0 million. Each NCDU consists of one 3-year, 10% secured non-convertible debenture of the Company in the principal amount of $1,000 (each a "Debenture") and 500 Class "A" share purchase warrants (each a "Warrant"). Each Warrant will entitle the holder thereof to purchase one Class "A" of the Company (each a "Share") at an exercise price of $0.75 at any time up to 36 months following the closing date of the Offering (the "Closing Date"). The Debenture Units will be subject to a statutory hold period under the applicable securities laws and in such case the certificates evidencing the securities will bear a legend to that effect, as applicable. The Company has paid $127,500 in commissions and issued 170,850 broker warrants in connection with the Offering, in compliance with applicable securities laws. The effective date of this transaction was November 27, 2020.

Other Corporate Highlights

- On May 20, 2020, the Corporation announced that it has entered into a strategic and licensing agreement (the "Agreement") with Ingenew Pharmaceuticals Inc. ("Ingenew") a company controlled by an independent director of the Corporation. The Agreement will explore the expansion of the scope of Ortho RTI's proprietary technological platform applications to include the delivery of therapeutics. Under the Agreement, Ingenew will fund the research and development activities specifically looking to further advance Ortho RTI's proprietary technology platform as a delivery system for its proprietary therapeutics. Ingenew plans to integrate Ortho RTI's platform in its ongoing various oncology, urology and periodontal diseases programs, which are the main therapeutic areas that are exclusive to Ingenew under the Agreement. Ortho RTI is entitled to royalties on sales of products and on licensing revenues integrating Ingenew therapeutics agents and Ortho RTI's proprietary delivery platform. Ortho RTI will also benefit from a fully paid-up grant back license from Ingenew to access all improvements to its proprietary technology platform for orthopedic applications. Other therapeutic fields can be targeted leveraging the further advanced Ortho RTI platform developed by either party or in collaboration.
- On June 22, 2020, the Corporation announced the appointment of Mr. Michael Atkin as its new independent Chairman of the Board. Mr. Atkin is succeeding Mr. Steve Saviuk. Mr. Saviuk will continue to serve the Company as a Board member. Mr. Atkin has over 30 years of experience in the life sciences sector as an entrepreneur, start-up executive, leader and manager in the pharmaceutical and biotechnology industries and a strong track record of partnering and advancing new technologies towards commercialization. Mr. Atkin is President of Syzent Partners Ltd., a consulting firm based in Montreal, QC. Prior to founding Syzent in 2008, Mr. Atkin was Executive Chair and subsequently CEO of Ulysses Pharmaceuticals, and founding CEO of Aegera Therapeutics. Earlier in his career, Mr. Atkin held senior executive positions in product development and licensing at Bristol-Myers Squibb Company and Lederle International, now part of Pfizer. He holds an MBA from Columbia University's graduate school of business (New York, USA) and a BA from the University of Kent at Canterbury (Great Britain).
- On July 24, 2020, Ortho RTI announced the issuance of 245,000 stock options to its Chief Executive Officer. The stock options have an exercise price of $0.37 and vest over 3 years, with a maturity date of 5 years after the grant. The pricing and vesting terms of the options were set in accordance with the Company's Stock Option Plan. Furthermore, the Company issued 2 million warrants with an exercise price of $0.50 per Common Share and expiring July 31, 2021 as compensation to nonrelated parties providing social media support and corporate branding services.
- On October 19, 2020 – Ortho RTI announced the appointment of Mukesh Ahuja, MBBS, MSc as its new Vice-President Clinical and Medical Affairs. Mukesh Ahuja, MBBS, MSc is a highly qualified, medical executive with fourteen years of US experience as a clinical expert in Orthopedics, managing dozens of orthopedic clinical studies and partnering with surgeons to advance novel research approaches. Dr. Ahuja has practical knowledge of experimental and clinical research needs to support the development, commercialization and marketing of medical products and technologies. Prior to joining Ortho RTI Dr. Ahuja worked at Orthofix Medical, Inc. where he was responsible for the motion preservation program of spine business franchise. Prior to Orthofix, Dr. Ahuja was the Director of Medical and Clinical Affairs for Medacta USA, Inc. He also served as Research Administrator for the world-renowned Department of Orthopedic Surgery at Rush University Medical Center/ Midwest Orthopaedics. While at Rush, Dr. Ahuja led research programs for Sports Medicine and Spine, consisting of teams responsible for FDA, NIH, and industry trials, as well as investigator-initiated research. He has an extensive clinical research experience in Sports Medicine injuries and treatment products ranging from biologics, stems cells, tissues graft, devices, and drugs. Dr. Ahuja holds a Masters of Science in Clinical Research from Rush University Medical Center, Chicago, completed a Health Care Management Executive Certificate Program from Loyola University, Chicago, achieved his Certified Principal Investigator (CPI®) certification from ACRP and received a Bachelor of Medicine and Bachelor of Surgery (MBBS) medical degree from Liaquat University of Medical & Health Sciences, Pakistan and a Bachelor of Arts – Political Science and History, University of Sindh, Pakistan. Mukesh is a member of ACRP and AAHKS and recently joined the regulatory committee of Biologic Association. He also serves as a peer reviewer for OREF research grants committee. Mukesh has contributed to several manuscripts and abstracts published in reputable journals.
- On January 5, 2021 – Ortho RTI announced that it has entered into a global licensing agreement (the "Agreement") with Hanuman Pelican Inc. ("Hanuman") for the use of the Buoy Suspension Fractional System in combination with Ortho-R, Ortho RTI's lead Chitosan-PRP hybrid drug/biologic implant combination product. The Agreement grants Ortho RTI an exclusive global license (excluding Japan) to use, manufacture, sublicense and sell the Buoy Suspension Fractional System in combination with Ortho-R in the following fields: 1) Tendons, 2) Ligaments, 3) Meniscus, 4) Cartilage, and 5) Wound Healing (non-exclusive). Hanuman will also supply its Buoy Suspension Fractional System as the exclusive Platelet Concentration System to be used in Ortho RTI's clinical trial at each clinical site participating in the upcoming US ORTHO-R phase I / II clinical trial for rotator cuff tears repair. Ortho-RTI will pay royalties on net sales of the Buoy Suspension Fractional System portion of the combined Ortho-R package.
- On February 4, 2021 – Ortho RTi announced that it has retained Westwicke, an ICR company, as its investor relations advisors for the U.S. markets. Westwicke Partners / ICR Westwicke Partners provides customized strategic investor relations programs and independent capital markets advice to public and private healthcare companies. Westwicke focuses on the healthcare sector exclusively and is headquartered in Baltimore with regional offices in Boston, New York, San Diego, San Francisco and London.

(In thousands of Canadian dollars, except for units, share and per share amounts)

- On February 24, 2021 – Ortho RTI announced the appointment of Patrick O'Donnell to its Board of Directors. Patrick O'Donnell is the President and Chief Executive Officer of HD LifeSciences, a prominent life sciences executive with over 25 years of experience guiding companies in both the pre-commercial and commercial stages. Mr. O'Donnell brings a comprehensive understanding of the medical device, orthobiologics and biomaterial industries in the orthopedic, spine, neurosurgery, and sports medicine markets. Prior to his role at HD LifeSciences, he was Executive Vice-President & General Manager of Commercial Operations for Bonesupport A.B.;Co-Founder and CEO for Proteothera, Inc.; President and CEO for Histogenics Corporation / Prochon Biotech, Inc., Director of Global Marketing for Confluent Surgical, Inc., and sales and marketing positions of escalating responsibility for Johnson & Johnson / DePuy Spine. Patrick graduated from the University of Wisconsin-Madison. The Company also announced the retirement of Prof Michael Buschmann and Prof. Caroline Hoemann from its Board of Directors, effective February 22, 2021.
- On March 31, 2021, Ortho RTI announced that its common shares are now eligible for electronic clearing and settlement through the Depository Trust Company ("DTC") in the United States.
- On April 6, 2021, the Corporation announced that it had submitted an IND application to the FDA for the initiation of a Phase I/II clinical trial of ORTHO-R in rotator cuff tear repair.

SELECTED FINANCIAL DATA

The following table sets forth financial information relating to the periods indicated and should be read in conjunction with the October 31, 2021 audited financial statements.

Statements of Loss

	Q4-21	**Q4-20**	***Change***		**YTD 21**	**YTD 20**	***Change***	
	$	$	*$[1]*	*%[2]*	**$**	$	*$[1]*	*%[2]*
Expenses								
R&D (Gross)	**452**	187	265	142%	**1,271**	1,263	8	1%
Provision (recovery) of ITC	**(62)**	(46)	(16)	35%	**(130)**	(200)	70	-35%
R&D Costs (Net)	**390**	141	249	177%	**1,141**	1,063	78	7%
Recovery %	**14%**	24%	-11%		**10%**	16%	-6%	
G&A	**472**	136	336	247%	**1,507**	955	552	58%
SBC	**112**	74	38	51%	**282**	165	117	71%
Financial	**294**	125	169	135%	**842**	305	537	176%
Total Expenses net of ITCs	**1,268**	476	792	166%	**3,772**	2,488	1,284	52%
Net loss	**(1,268)**	(476)	(792)	166%	**(3,772)**	(2,488)	(1,284)	52%
Loss per share								
Basic and diluted	**0.04**	0.02	0.02	100%	**0.13**	0.10	0.03	30%
Weighted average number of shares outstanding	**34,034,411**	24,752,424	9,281,987	38%	**28,748,551**	24,752,424	3,996,127	16%

1. A positive variance represents a negative impact to net loss and a negative variance represents a positive impact to net loss
2. Percentage change is presented in relative values

EBITDA(L) Reconciliation (See "Management's Responsibility for Financial Reporting" – "Non-IFRS Financial Measures")

The following table provides a reconciliation of net loss to EBITDA(Loss) for Q4-21, and FY-21 as compared to the 2020 periods.

	Q4-21	Q4-20	*Change*		**FY-21**	FY-20	*Change*	
	$	*$*	*$[1]*	*%[2]*	**$**	$	*$[1]*	*%[2]*
Net loss	**(1,268)**	(477)	(791)	166%	**(3,772)**	(2,488)	(1,284)	52%
Add (deduct)								
Financial Expense	**294**	125	169	135%	**842**	305	537	176%
Depreciation	**15**	21	(6)	-29%	**46**	62	(16)	-26%
Amortization	**8**	8	-	0%	**24**	24	-	0%
EBITDA (L)	**(951)**	(323)	(628)	194%	**(2,860)**	(2,097)	(763)	36%

1. A positive variance represents a negative impact to net loss and a negative variance represents a positive impact to net loss
2. Percentage change is presented in relative values

(In thousands of Canadian dollars, except for units, share and per share amounts)

	Q4-21 vs Q4-20	FY-21 vs FY-20
Revenues	• Ortho RTI is a clinical stage company. There were no revenues generated during each of Q4-21 and YTD-21.	
R&D expenses (Gross)	• R&D expenses include internal and external expenses. Internal expenses represent mostly salaries and consulting fees for our staff. External expenses include all development costs related to work performed under our Collaborative R&D contract with Polytechnique as well as specific manufacturing activities, regulatory, pre-clinical and clinical work to advance our pipeline. R&D expenses (Gross) are presented prior to considering R&D tax credits (ITCs) recoverable from the provincial government for Scientific Research and Experimental Development (SR&ED) programs.	
	• The 140% increase is indicative of more activities taking place in anticipation of our Ortho-R US Phase I/II clinical trial for rotator cuff repair, including mainly cGMP manufacturing activities as well as regulatory work related to the IND filing. R&D expenses also included costs incurred in relation to the Polytechnique R&D contract which were stable between the 2 periods.	• Gross R&D expenses have been stable compared to the prior year. The bulk of the FY-20 expenses related to the 6-month pivotal preclinical activities while FY-21 expenses included the completion of the preclinical activities as well as cGMP manufacturing activities and regulatory work related to the IND filing for our Ortho-R US Phase I/II clinical trial for rotator cuff repair.
ITCs	• ITCs represent R&D tax credits recovered from the provincial government for SR&ED programs. Claims can be made for eligible R&D expenses and the recovery rates vary depending on the nature of the expense. Staff compensation typically lead to a greater recovery than external costs. Since going public in 2017, the Corporation lost its CPCC ("Canadian controlled private company") status, and consequently in only eligible to refundable Quebec credits, while federal credits are applied against future profits. • The Corporation will favour Quebec based suppliers where possible in order to claim SR&ED refundable credits and reduce the net costs of performing its R&D programs. • Ortho-R has opted to elect a US-based CRO, MCRA to help with the planning and execution of its Ortho-R clinical trial with most centers to be located in the US. The Corporation believes this is the best strategy to optimize the results of the study and create the most value for its shareholders. This decision will likely reduce the SR&ED claims going forward on the Ortho-R program. However manufacturing and pre-clinical activities if required for the meniscus (Ortho-M) and cartilage (Ortho-C) programs will take place in Quebec and help maximize SR&ED claims.	
	• ITCs accrued for Q4-21 were $62 as compared to $46 for Q4-20. The ITC's have increased despite a decrease in the recovery rate between the two periods. The amount of eligible expenses has increased and included the cGMP activities performed in Quebec, however there was an increase in non-eligible activities such as consulting work to US-based consultants who do not qualify for SR&ED reimbursement.	• ITCs accrued for FY-21 decreased both in absolute $ amount as well as relative %. This can be explained by the increase in R&D expenses paid to non-qualifying consultants. Ortho-R selects the best sub-contractors for the R&D work to be performed in order to ensure the best results.
G&A expenses	• G&A expenses include salaries and consulting fees paid to non-R&D staff, professional fees, conferences, travel expenses, as well as investors relation activities. G&A expenses also include office lease costs, presented as depreciation for the right-of-use asset and interest accretion on the related lease liability starting in FY-20.	
	• During Q4-21, G&A expenses were up $336 compared to the Q4-20 period. The 247% increase results from a material increase in IR spending between the 2 quarters as well as an increase in consulting fees paid to management.	• The $552 increase in G&A expenses between the FY-20 and FY-21 period included increased and non-recurring salary adjustment paid to senior management during the year as well as an increase in IR spending compared to the prior year. The non-recurring payments to management were paid to compensate management having converted the greater portion of their management fees into units of the various financings in FY-20 and Q1-21 in order to preserve cash.
Share-based compensation (SBC)	• Represents the expense related to issuing stock options to staff, consultants and board members. Variances for the quarter and YTD periods include non-recurrent grant to our scientific advisory Board members as well contractual vesting for members of management on options already outstanding.	
Financial expenses	• Over the last year, the Corporation financed its operations via the issuance of interest-bearing instruments such as CDUs, NCDUs and ITC loans as opposed to equity. While such financial instruments do not lead to an immediate dilution in the total number of shares outstanding in the short term, they lead to increased interest charges.	

	Q4-21 vs Q4-20	FY-21 vs FY-20
	• Through the last periods, the Company has implemented a series of debt/debenture financings which have increased its financial expenses in FY-21 as compared to FY-20 periods. Between October 2020 and April 2021, the Corporation has completed CDU financings totalling $3.2 million. The Corporation has also continued to finance its ITC's until repayment of the ITC loans in December 2020. Finally, the Corporation has secured a $3.0 million non-convertible loan in November 2020. All these transactions have impacted the financial expenses which have increased by 135% in Q4-21 as compared to Q4-20, as well as 176% between FY-20 and FY-21. Following the reimbursement of the ITC loans in Q4-21, there will no longer be any costs related to ITC financing for the coming periods.	
Total Expenses and Net Loss for the period.	• Total expenses net of ITCs for Q4-21 was $1,268 compared to $477 for Q4-20 representing a 166% increase. The increase resulted from the respective increase in G&A, SBC and financial expenses as well as $248 increase in net R&D spending.	• Total expenses net of ITCs for FY-21 increased by $1,284 compared to FY-20 representing a 52% increase. The increase resulted from the respective increase in G&A, SBC and financial expenses as well as $78 increase in net R&D spending.
EBITDA (L)	• Management believes that our EBITDA (L) performance is more indicative of our operating results as it eliminates the financial costs associated with our financial structure such as our CDU financing and ITC financings as well as the amortization of intangible assets.	
	• After eliminating the impact of the financial expenses, as well as depreciation, and amortization our EBITDA loss during Q4-21 was $951 compared to $323 for Q4-20, representing a 194% increase and indicative of the progress made in advancing our Ortho-R rotator cuff program.	• Our EBITDA loss during FY-21 increased 36% compared to FY-20 and is indicative of the progress made during the year in advancing our lead rotator cuff repair program.

Selected Balance Sheet Highlights

The following table sets forth the financial information related to the Corporation's statements of financial position for the periods indicated and should be read in conjunction with the Audited financial statements for fiscal year 2021.

As at,	**31-Jan-21**	31-Jan-20	*Change*	
	$	$	*$[1]*	*%[2]*
Cash	**2,379**	302	*2,077*	*688%*
Prepaids	**258**	64	*194*	*303%*
ITC (current and non-current)	**143**	361	*(218)*	*-60%*
Intangible Assets	**364**	396	*(32)*	*-8%*
Total assets	**3,277**	1,287	*1,990*	*155%*
Trade accounts payable and accrued liabilities	**291**	1,021	*(730)*	*-71%*
ITC Loans	**-**	596	*(596)*	*-100%*
Convertible Debentures	**2,476**	1,670	*806*	*48%*
Non-Convertible Debentures	**2,099**	-	*2,099*	*100%*
Total liabilities	**5,078**	3,686	*1,392*	*38%*
Common shares	**7,706**	5,418	*2,288*	*42%*
Warrants	**2,080**	732	*1,348*	*184%*
Equity component of CDU	**469**	385	*84*	*22%*
Contributed surplus	**1,605**	955	*650*	*68%*
Deficit	**13,661**	9,889	*3,772*	*38%*

1. A positive variance represents a positive impact to our balance sheet and a negative variance represents a negative impact to our balance sheet.
2. Percentage change is presented in relative values

(In thousands of Canadian dollars, except for units, share and per share amounts)

Selected items	YE-21 vs YE-20
Cash	• Cash at the end of Q4-21 was $2,379 as compared to $302 at the start of the year. Our cash resources improved significantly due to a series of Private Placement offerings which were completed during the year including a CDU financing in Q3-21, which generated net proceeds of $2.4 million, as well as a $3 million NCDU financing which generated net proceeds of $2.4 million net of fees and after repayment of the ITC loans.
Prepaids	• Prepaids increased significantly between the 2 periods as the Corporation used part of the proceeds from the Private Placement financing to make a $287 partial pre-payment for the clinical trial material required to initiate the Ortho-R rotator cuff clinical trial next year. This prepayment helped secure more favorable timelines for the manufacturing activities.
ITCs	• The reduction of our ITC recovery rates (See "Statement of Loss" commentaries) and collection of prior year ITCs explain the $218 drop in our total ITC credits outstanding.
Intangible Asset	• Intangible assets reflect the net book value of our patents and biopolymer technology acquired from Polyvalor. The nominal reduction between YE-20 and Q3-21 results from amortization charges which were not offset by new investments. Ortho RTI is the owner of 4 patent families. Our patent portfolio includes the following: ○ Patent Family No.1: Clot-activated polymer composition for repairing the tissue of the subject, where the polymer composition adheres to the tissue and promotes cell proliferation, comprising platelet-rich plasma (PRP), a biopolymer, a salt and a clot activator. ○ Patent Family No.2: Novel formulation of physiological biopolymer-inorganic salt solution/blood mixtures for tissue repair. *This patent family was abandoned on November 9, 2019*. The company's Freeze-Dried platform patents (family 3-4, covers all applications found in the Patent Family No.2 plus many other claims, such as faster coagulation onset time, easier use for the clinicians and a much longer commercially viable shelf life. ○ Patent Family No.3: Freeze-dried polymer compositions for mixing with platelet rich plasma to form implants for tissue repair or compositions for therapeutic intra-articular injection. ○ Patent Family No.4: Freeze-dried biopolymer scaffolds that form a hydrated microparticle dispersion after contact with blood or blood-derived fluids and stimulate anabolic wound repair processes, including angiogenesis, cell chemotaxis, tissue remodeling, and extracellular matrix.
Total assets	• The increase in cash and prepaids led to a 155% increase of assets between the 2 periods.
Trade accounts payable and accrued liabilities	• Trade accounts payables and accrued liabilities have decreased significantly during FY-21 as a result of the timing of payments of our accounts payable given the various financings completed.
ITC loans	• ITC loans have been repaid following the completion of the December 2020 NCDUs financing.
Convertible debentures units (CDU)	• During the past year, the Corporation issued $3,204 worth of CDUs to fund its operations including a first closing of $1,644 on October 8, 2019, a second closing of $500 on December 30, 2019 and a third closing of $1,060 on April 21, 2020. At the end of Q4-21, the CDUs plus accreted interest net of the fair value allocated to the conversion option of the debentures and the fair value allocated to the warrants issued as part of the CDU financings amounted to $2,476 compared to $1,670 at YE-20. • The $806 net change to the CDUs between YE-20 and YE-21 included a conversion of a $302 loan into CDUs, the addition of $758 raised during the April CDU issuance being the net fair value allocated towards the debenture/debt after consideration to the fair value allocated to warrants issued as part of the CDU financing and to conversion features of the CDUs April financing, the accretion expense for the year given the CDUs are discounted less an amount of $326 representing the effect of converting certain CDUs into common shares during the year.
Non-convertible Debentures (NCDU)	• During Q4-20 the Corporation has secured a $3,000 NCDU financing that enabled the repayment of the ITC loan and increase in liquidities. The $2,099 amount relates to the value of the loan less transaction costs of $209, the fair value of the warrants issued as part of the financing for $728 as well as the accretion expense for interest payable on such debt instrument for $36.
Total Liabilities	• Total liabilities have increased between YE-20 and YE-21 as a result of the various debentures financing completed during FY-21 which were used to repay the ITC loans, reduce accounts payable and fund the Corporation's R&D program.
Common Shares	• Common shares have increase by $2,288 during FY-21 as a result of the 2 Unit offerings completed in Q3-21 as well as the conversion of debentures and the exercise of warrants and options by unitholders that took place during the year.

(In thousands of Canadian dollars, except for units, share and per share amounts)

Selected items	YE-21 vs YE-20
	• As at May 25, 2021, the number of stock options outstanding stood at 2,871,000. • As at May 25, 2021, the number of common shares outstanding stood at 34,872,899.
Warrants	• The $1,350 increase between YE-20 and YE-21 relates to the issuance of warrants as part of the April 21, 2020 CDU financing, the CDU offering completed in Q3-21, the NCDU financing issued in Q4-21 and warrants issued for investors relations activities ("IR") activities less warrants and options exercises.
Equity component of Convertible debentures	• The equity component of the convertible debentures represents the fair value of the conversion features of these CDUs. The outstanding debentures can be converted at $0.30 until their respective 2-yr maturity. The $84 increase for FY-21 relates to the fair value allocated to the conversion feature for the CDU issued on April 21, 2020.
Contributed Surplus	• The $650 increase relates to net impact for stock options issued and exercised during the year as well as for the exercised and expired warrants.
Deficit	• Increase reflects the performance of the Corporation during FY-21. (See "Statement of Loss" commentaries)

SELECTED QUARTERLY FINANCIAL INFORMATION

The following table sets out the Corporation's selected unaudited quarterly financial information for the eight quarters ended January 31, 2021. This information is derived from unaudited quarterly financial statements prepared by management in accordance with IFRS. The following quarterly information is presented on the same basis as the audited financial statements and should be read in conjunction with those statements and their accompanying notes.

	Q4-21	Q3-21	Q2-21	Q1-21	**Q4-20**	Q3-20	Q2-20	Q1-20
R&D Expenses (Net)	**390**	191	195	365	**142**	421	194	308
G&A expenses	**472**	342	186	507	**136**	254	361	205
Share-based compensation	**112**	101	49	20	**74**	36	44	10
Financial expenses (income)	**294**	179	201	168	**125**	49	63	67
Net (loss) for the quarter	**(1,268)**	(813)	(631)	(1,060)	**(477)**	(760)	(662)	(590)
(Loss) per share (Basic and diluted)	**(0.04)**	(0.03)	(0.03)	(0.04)	**(0.02)**	(0.03)	(0.03)	(0.02)
EBITDA (Loss)	**(390)**	(611)	(413)	(862)	**(319)**	(682)	(570)	(495)

(See "Management's Responsibility for Financial Reporting" – "Non-IFRS Financial Measures")

Notes	Valuable information
R&D expenses (Net of ITCs)	• Net R&D expenses represent gross R&D expenses less ITC provisions related to these costs and to be claimed after year-end**.** R&D expenses net of ITC provisions have fluctuated from quarter to quarter depending on the timing of work performed by our partners and suppliers as well as internal R&D spending. Fees for maintenance and filing of patents have been consistent over the comparable periods. • Net R&D expenses in Q4-21 has increased over the prior quarter due to the increased activity related to the cGMP manufacturing and IND preparation work. R&D expenses in Q1-21 and Q3-20 reflected milestone payments related to our Ortho-R rotator cuff pivotal animal study.
G&A expenses	• G&A expenses consist primarily of salaries or consulting fees for non-scientific management and staff, professional fees for audit and tax related matters, in-house counsel, insurance, and fees paid to IR firms. • G&A expenses have fluctuated from quarter to quarter. G&A expenses over the last 8 quarters include non-recurring charges related to changes to the senior management team, including a $120 severance in Q2-20 to prior acting CEO. • The Q1-21 amount relates mainly to a non-recurring $267 salary adjustment paid to senior management for having agreed to receive non-cash remuneration between July 2019 and April 2020. • G&A expenses in Q3-21 include non-recurring IR spending of $187. G&A expenses for Q4-21 include increased IR spending as well as increased consultant fees paid to management including year-end bonuses. • Other expenses, such as rent, insurance, and office expenses, have been relatively stable and had no significant impact on the overall spending.
Share-Based Compensation	• Share-based compensation are costs for the issuance of stock options to senior management, staff, board of directors, scientific advisory board and consultants working for the Corporation.

Notes	Valuable information
	• Share-based compensation fluctuates as a results of staff changes, and due to the timing of expense recognition associated with the vesting of the options issued. A non-recurring grant to our Scientific Advisory Board members took place during the last quarter.
Financial expenses	• Financial expenses are costs associated with the CDUs, NCDUs, ITC loans, term loan and notes payable. • Financial expenses have fluctuated over the reported periods, based on 1) repayment of ITC loans, 2) reduction/conversion of the Manitex note and loan, and 3) issuance of CDUs and NCDUs. • The increase in financial expenses between Q4-20 and Q4-21 results from the CDU and NCDU financings closed over the last year, including $1,644 in Q3-20, $500 in Q4-20, $1,060 in Q1-21, and $3,000 in Q4-21. Each CDU has a 24-month maturity. Interest charges on the CDUs may go down over time as CDU holders opt to convert their debenture prior to maturity**.** • ITC loans have been repaid in Q4-21 and will no longer impact our financial expenses going forward.
Net loss	• Net loss in Q4-21 increased due to the additional R&D, G&A and financial expenses related to CDUs, NCDUs and ITC loans. The Q1-21 loss reflected the impact of the non-recurring increase in our G&A expenses. • Going forward Ortho RTI's net loss will be mainly driven by the level of R&D spending made to advance its R&D programs (Ortho-R, Ortho-M, and Ortho-C) as well as the financial expenses related to its capital structure.
EBITDA (Loss)	• EBITDA (Loss) (See "Management's Responsibility for Financial Reporting" – "Non-IFRS Financial Measures") eliminates the impact of the CDU, NCDU, ITC and other financings which reflect the Corporation's financing strategy adopted to attract the required capital to fund its operations. After eliminating such expenses, the EBITDA (Loss) has increased in Q4-21 over the prior quarter as a result of the increase in R&D and G&A spending. The Q1-21 increase resulted from the non-recurring adjustment to senior management compensation.

LIQUIDITIES AND CAPITAL RESSOURCES

			Change	
For the year ended	**31-Jan-21**	31-Jan-20	*$[1]*	*%[2]*
Cash provided by (used in):				
Operating Activities				
Net Loss from Operations	**(3,772)**	(2,488)	*(1,284)*	*52%*
Add items not affecting cash	**790**	897	*(107)*	*-12%*
	(2,982)	(1,591)	*(1,391)*	*87%*
Investing Activities	**(3)**	-	*(3)*	*0%*
Financing Activities	**5,052**	1,369	*3,683*	*269%*
(Decrease) Increase in cash	**2,067**	(222)	*2,289*	*1,031%*
Cash, Beginning of the period	**302**	524	*(222)*	*-42%*
Foreign exchange gain	**10**	-	*10*	*100%*
Cash, End of the period	**2,379**	302	*2,077*	*688%*

1. A positive variance represents a positive impact to cash flows and a negative variance represents a negative impact to cash flows
2. Percentage change is presented in relative values

	FY-21 vs FY-20
Cash used in operations	• Cash used in operations represents the cash flows from operations, excluding income and expenses not affecting cash plus changes in non-cash working capital items.
	• Cash used in operations has increased by 87% at $2,982 for FY-21 as compared to $1,591 for FY-20 period. The $1,391 increase results from the $1,284 increase in net loss and the $107 decrease in items not affecting cash. Items not affecting cash decreased when compared to prior year due to working capital movement: the increase in prepaids and a significant reduction in trade payables that followed the Q4-21 NCDU financing.
Cash used in investing activities	• There was nominal cash used for investing activities for the FY-21 and FY-20 periods as the Corporation continued to leverage its agreement with Polytechnique with access to their laboratories.
Cash provided by financing activities	• Financing activities contributed $5,052 the FY-21 as compared to $1,369 for the prior year. During the FY-21, the Corporation collected $2,395 from the 2 Private Placements closed in August and September 2020, $355 from the CDU financing closed on April 21, 2020, a $40 new loan under the Canada Emergency Response Benefit program as well as $2,429 from the net proceeds of the NCDU financing completed in Q4-21. The

(In thousands of Canadian dollars, except for units, share and per share amounts)

	FY-21 vs FY-20
	balance comes from the exercise of options and warrants. This was offset mainly by a repayment of ITC loans that amounted at $596 at YE-20 plus additions related to fees and accrued interest. This compares to $672 for the issuance of CDUs, $203 worth of new ITC loans secured in the prior year net of ITC loan repayment and a $18 payment of lease obligation.
Cash, End of the period	• The Corporation ended FY-21 with $2,379 of cash compared to $302 at the beginning of FY-21 representing a 688% increase in cash resources. The series of financings completed during the year have helped increase the cash position by $2,077 between YE-20 and YE-21, despite a sharp reduction in its trade payables and large prepaid deposits made to secure favorable timelines for the manufacturing of its clinical trial lot ("See Balance Sheet commentaries").

Cash, and Working Capital

As at,	**YE-21**	YE-20	*Change*	
	$	$	*$[1]*	*%[2]*
Cash	**2,379**	302	*2,077*	*688%*
Working Capital	**2,377**	(952)	*3,329*	*350%*
Total assets	**3,277**	1,287	*1,990*	*155%*

1. A positive variance represents a positive impact and a negative variance represents a negative impact
2. Percentage change is presented in relative values

Cash at the end of Q4-21 was $2,379 as compared to $302 at the end of YE-20. In addition to the strong improvement in our cash position between FY-20 and FY-21, the Corporation has used the proceeds of the various financings completed during FY-21 to significantly improve its working capital which was $2,377 at the end of Q4-21 compared to a negative $952 a year ago, representing a $3,329 improvement.

Ortho RTI continued to make significant progress towards the start of its first human trial on Ortho-R for rotator cuff repair. The Corporation is on track to meet this important corporate milestone in the earlier part of FY-22. During the quarter and over the prior periods, the Corporation has demonstrated its ability to raise the necessary capital to support its operations and deliver on its development timelines. However, there is no assurance that the Corporation will be able to secure the necessary financing to fund it various development programs. Management has continued to implement IR and financing initiatives to attract the required capital to fund its operations and deliver R&D and corporate milestones as demonstrated by the NCDU financing closed in Q4-21. This will put Ortho RTI in a favorable position to start its Ortho-R rotator cuff tear repair clinical program in early FY-22 (See "Overview of the Business" and "Going concern").

Future financing

As at January 31, 2021, Ortho RTI had 19.3 million warrants outstanding with an average exercise price of $0.54. All warrants are subject to acceleration clauses. If the average VWAP of the Corporation's shares over any twenty (20) consecutive trading days is greater or equal to $1.00, the Corporation may give notice to the warrant holder that it must exercise its remaining warrants within a period of 30 days from the date of receipt of the notice, failing which the warrants will automatically expire. The extent to which these warrants are exercised will be a function of the market price of the Corporation's underlying common shares and investors' view of the opportunity for shareholder value creation over the investment time for each individual investor. If the acceleration clause is exercised for all warrants outstanding at the end of FY-21, the maximum influx of cash to the Corporation would exceed $10.45 million.

The Corporation's use of available funds over the coming year is of utmost concern to the Board. Since the extent and timing of warrant exercise as a source of financing are uncertain, management continues to look for alternative sources of financing to secure the required capital necessary to fund its operations and development projects. Management's focus is on securing equity-based financings from Canadian and US based institutional and/or accredited investors. The Corporation is also actively promoting its technologies to strategic partners.

(In thousands of Canadian dollars, except for units, share and per share amounts)

Discussion of operating cash requirements

All programs in the Corporation's current portfolio will require a significant investment to increase their market value (through, for example, clinical trials) or to attract a strategic partner. We estimate that $30 million will be required to bring our rotator cuff (Ortho-R), meniscus (Ortho-M), and cartilage (Ortho-C) programs to market. There are several areas where duplication between programs can provide savings such as the manufacture of the chitosan material, which is common across our product platform. We therefore do not need to replicate several manufacturing activities, or some associated costs, for each of the projects.

Ortho-R for the repair of rotator cuff tears is a clinical development stage program and represents our lead product for commercialization. We currently estimate that an additional investment of at least $5 million will be required to provide proof of concept in human and another $10 million to bring the same program to commercialization.

Ortho-M (meniscus) is the Corporation's second candidate and is also in a development phase. Proof of efficacy in a large animal preclinical model is expected to take place in the coming fiscal year. Ortho-M's development pathway and plan will be similar to Ortho-R and will benefit from all cGMP activities performed on scaling-up Ortho-R. Consequently, management estimates that $1.5 million will be required prior to submitting an IND application prior to testing Ortho-M in human for meniscus tear repair.

Ortho-C and Ortho-V are currently at earlier stage of development and management does not intend to commit any sums to the advancement of these projects until its successfully advances Ortho-R and Ortho-M in human clinical testing.

In order to successfully advance its current R&D programs, Ortho RTI entered on September 1, 2018, into a $887 Collaborative R&D Agreement with Polytechnique to ensure access to Polytechnique's staff, expertise and laboratories up until September 2021 (See "Commitments").

Off-Balance Sheet Arrangements

The Corporation has one off-balance sheet arrangement see ("Commitments").

Related Parties Transactions

The following table presents the related party transactions presented in the statement of loss for the respective periods:

	FY-21	FY-20
Transactions with key management and members of the Board of Directors:		
Share-based compensation to employees and Directors	**211**	137
Termination benefits paid to a former CEO	**-**	120
Consulting fees paid to key management, and directors	**713**	270
Interest earned on debentures held by key management and Directors	**188**	80
Interest earned on debentures held by Manitex, a shareholder of Ortho RTI	**203**	115
Consulting fees and rental expenses charged by Valeo Pharma, a company with common management	**120**	229
R&D costs charged by Polytechnique, a partner of Polyvalor, a shareholder of the Corporation	**277**	294

Compensation of key management includes Directors, CEO, and the CFO.

The following table presents the related party transactions presented in the statement of financial position as at:

	Jan. 31, 21	Jan. 31, 20
Accounts payable and accrued liabilities due to key management and directors	**62**	100
Accounts payable due to Polytechnique, a partner of Polyvalor, a shareholder of the Corporation	**74**	74
Accounts payable due to Valeo Pharma, a company with common management	**25**	151
Debentures due to key management and directors	**1,018**	516
Accrued interest on debentures due to key management and directors	**50**	14
Convertible Debentures due to Manitex, a shareholder of the Corporation	**861**	783
Accrued interest on debentures due to Manitex, a shareholder of the Corporation	**29**	5

All other related parties' transactions are disclosed in the respective notes in these financial statements.

(In thousands of Canadian dollars, except for units, share and per share amounts)

Financial Risk Factors

The Corporation's activities expose it to financial risks: market risk, more specifically cash flow and fair value interest rate risk, and liquidity risk. The Corporation's overall risk management program focuses on the unpredictability of the financial market and seeks to minimize potential adverse effects on the Corporation's financial performance. The Corporation does not use derivative financial instruments to hedge these risks.

(a) Credit risk

Credit risk arises from cash deposited with a financial institution. The Corporation reduces this risk by dealing with creditworthy financial institutions.

(b) Market risk

(i) Cash flow and fair value interest rate risk. The Corporation is exposed to fair value interest rate risk due to mainly its debentures negotiated at a fixed rate.

(ii) Currency risk. The Corporation has cash and accounts payable and accrued liabilities denominated in U.S. dollars and other currencies. The Corporation does not hold financial derivatives to manage fluctuation in these currencies.

The following presents the accounts that are exposed to foreign exchange volatility as at:

	January 31, 2021		January 31, 2020	
	Foreign Currency	**CAD equivalent**	Foreign Currency	CAD equivalent
Cash – USD	810	1,035	-	1
Accounts payable and accrued liabilities – USD	51	65	56	74
Accounts payable and accrued liabilities – EUR	1	1	6	9
Accounts payable and accrued liabilities – JPY	-	-	161	2

A plus or minus 5% variation in exchange rates, all other variables held constant, would result in a foreign exchange gain or loss of $55 (immaterial effect in fiscal 2020).

(c) Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its obligations as they fall due. The following are the contractual maturities of financial liabilities:

As at January 31, 2021		***Carrying value***	***Contractual cash flows***	***Less than 60 days***	***60 days to 12 months***	***Greater than 12 months***
Financial liabilities						
Accounts payable and accrued liabilities		**291**	291	291	-	-
Interest payable		**172**	172	50	122	-
Canada Emergency Business Account (CEBA)		**40**	-	-	-	40
Convertible debentures	(i)	**2,476**	2,833	-	-	2,833
Non-Convertible debentures		**2,099**	3,000	-	-	3,000
		5,078	6,296	341	122	5,873

(i) Includes interest payment to be made at the contractual rate

As at January 31, 2020		***Carrying value***	***Contractual cash flows***	***Less than 60 days***	***Less than 12 months***	***More than 12 months***
Accounts payable and accrued liabilities		**1,021**	1,021	210	811	-
Interest payable on debenture		**56**	56	-	56	-
Investment tax credit loan	(i)	**596**	723	-	723	-
Long term loans		**302**	302	-	-	302
Convertible debentures	(i)	**1,670**	2,573	-	-	2,573
		3,645	4,675	210	1,590	2,875

(i) Includes interest payment to be made at the contractual rate

(d) Capital risk management

The Corporation's definition of capital includes equity, comprised of issued common shares, warrants and contributed surplus. The Corporation's primary objective with respect to its capital management is to ensure that it has sufficient financial resources to meet its financial obligations and maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. To secure the additional capital necessary to carry out these plans, the Corporation will attempt to raise additional funds through the issuance of equity or by securing strategic partners. The Corporation is not subject to any externally imposed capital requirements.

We operate in an industry which presents many risks and uncertainties. These risks and uncertainties are described in the Annual Information Form (AIF) dated May 31, 2021, which is available on www.sedar.com.

Statement of Compliance

The unaudited interim financial statements included in this MD&A for the quarter ending January 31, 2021 have been prepared in accordance with *International Financial Reporting Standards* as issued by the *International Accounting Standards Board ("IASB")* as well as with those standards and interpretations as issued by the *International Financial Reporting Interpretations Committee ("IFRIC")* issued and effective or issued and early adopted as at the time of preparing these interim financial statements.

Use of Estimates and Judgements

Reference should be made to the Corporation's annual consolidated financial statements, *note 3*, for an extended description of the information concerning the Corporation's significant judgments, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses.

Commitments

On June 19, 2015, the Corporation entered into three (3) long term research service agreements with École Polytechnique. When the Corporation's product is commercialized, it must make non-refundable payments to Polyvalor equal to 1.5% of net sales. As part of these agreements, the Corporation is committed to pay quarterly instalments of $73.5 until the first quarter of 2022.