MEDIVOLVE INC.

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

As used in this management's discussion and analysis of financial condition and results of operations ("MD&A"), unless the context indicates or requires otherwise, all references to the "Company", "Medivolve", "we", "us" or "our" refer to Medivolve Inc. together with our subsidiaries, on a consolidated basis as constituted on December 31, 2021.

This MD&A for the three months ended and fiscal years ended December 31, 2021 and 2020 should be read in conjunction with the Company's audited consolidated financial statements and the accompanying notes for the fiscal years ended December 31, 2021 and 2020. The financial information presented in this MD&A is derived from the Company's audited consolidated financial statements for the year ended December 31, 2021 and 2020 ("financial statements") which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All amounts are in Canadian dollars except where otherwise indicated.

This MD&A is dated as of March 31, 2022.

NOTICE TO READER

This MD&A includes amended disclosure pertaining to the Company's management's discussion and analysis for the three and nine months ended September 30, 2021 (the "Q3 MD&A") under the sections below entitled Business Overview, Selected Quarterly Information and Overall Performance "Amended Q3 MD&A Information". In particular, this MD&A includes the following additional or amended disclosure:

- the Company's current and anticipated business operations;
- the Company's description of its operations, particularly revenue, gross profit, cost of sales, components of expenses, commitments, events, risks or uncertainties and significant Company projects that have yet to generate revenues;
- the integration by the Company into its business of its recently acquired Electronic Record Application;
- factors that have caused variations in results over the quarters;
- an analysis of the Company's liquidity and capital resources;
- contractual obligations, including lease obligations;
- Company-specific impacts of the COVID-19 pandemic on the Company's business and operations;
- the Company's results of operations, including updates on its prior acquisitions, revenues, patients, and testing numbers;
- the non-arm's length relationships between Medivolve's CEO and certain companies with which the Company has and continues to transact; and
- details of agreements entered into with certain marketing firms.

The Amended Q3 MD&A Information has been included in this MD&A at the request of the Ontario Securities Commission (the "**OSC**") to remedy deficiencies in the Q3 MD&A identified by the OSC in connection with its review of the Company's continuous disclosure filings.

FORWARD-LOOKING INFORMATION

Except for statements of historical fact relating to Medivolve, certain information contained herein constitutes forward-looking information under Canadian securities legislation. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". The information and statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information and statements. Such statements reflect the Company's current views with respect to certain events, and are subject to certain risks, uncertainties and assumptions. Many factors could cause the Company's actual results, performance, or achievements to vary from those described in this MD&A. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described in this MD&A as intended, planned, anticipated, believed, estimated, or expected. With respect to the forward-looking statements contained herein, although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements, because no assurance can be given that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to: the Company's lack of operating history as an investment company; the volatility of the market price of the common shares of the Company; risks relating to the trading price of the common shares of the Company relative to net asset value; risks relating to available investment opportunities and competition for investments; the volatility of the share prices of investments in public

companies; the dependence on management and directors; risks relating to the COVID-19 pandemic; risks relating to additional funding requirements and the Company's ability to access additional funds; potential conflicts of interest and potential transaction and legal risks, conflict of interests and litigation risks, as more particularly described under the heading "Risk Factors" in the Company's Annual Information Form. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws. You should carefully consider the matters discussed under "Risks Factors" in our Annual Information Form for the year ended December 31, 2021.

The forward-looking statements contained or incorporated by reference in this MD&A are made as of the date of this MD&A or as otherwise specified. Except as required by applicable securities laws, we undertake no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors affecting those statements, whether as a result of new information, future events or otherwise or the foregoing lists of factors affecting this information.

All of the forward-looking information contained in this MD&A is expressly qualified by the foregoing cautionary statements.

For a discussion of risk factors, please refer to the Company's Annual Information Form for the year ended December 31, 2021, which is available on www.sedar.com. In certain instances, references are made to relevant notes in the financial statements for additional information. Additional information relating to the Company, including the Company's annual information form, can be found on SEDAR at www.sedar.com.

BUSINESS OVERVIEW

Summary

Medivolve Inc. is a Canadian healthcare technology company headquartered in Toronto, Canada. Medivolve provides comprehensive clinical laboratory testing for COVID-19 through a distributed network of retail collection sites. The Company's mission is to improve health and lives by delivering world-class diagnostic solutions—starting with COVID-19—as well as to enable faster and better care to patients through innovative technology. Medivolve and its subsidiaries, Collection Sites, LLC ("Collection Sites") and Optimum Care Pharmacy Inc. dba Marbella Pharmacy ("Marbella Pharmacy"), operate a distributed network of 23 retail patient-care locations across the United States (22 Collection Sites, 1 Marbella Pharmacy). With approximately 310 employees, the Company has served hundreds of thousands of patients across the United States and facilitated more than one million clinical encounters in 2021.

The Company's common shares are listed on the NEO Exchange under the symbol "MEDV". In connection with its change of business to from an investment issuer to a life sciences operating company, the Company changed its name from "Questcap Inc." to "Medivolve Inc." on December 21, 2020, and its ticker symbol from "QSC" to "MEDV" on January 7, 2021.

Since January 2021, Medivolve has expanded and diversified its service offerings, technological expertise, geographic reach, revenue base and growth opportunities through a combination of organic growth and disciplined acquisitions. Medivolve is currently evaluating additional related business lines to generate sustainable revenues outside of its historical COVID testing business model.

The Company has two business units: Collection Sites Diagnostics ("CSD"), the Company's primary business unit, and Medivolve Pharmacy Division ("MPD"). CSD is a network of mobile COVID-19 testing centres in locations across the United States. MPD provides retail pharmacy and mail-order pharmacy services related to COVID-19, antibiotics, dermatology, family medicine, immunology, neurology, pain management, paediatrics, preventive medicine, and psychiatry.

CSD

The Company's primary business activities are conducted through its wholly-owned subsidiary, Collection Sites, which has over 300 employees and has built a network of mobile COVID-19 testing centres across the United States. Each site is a modular pod "cube" licensed by a lab certified by the United States Government Department of Health and Human Services under the Clinical Laboratory Improvement Amendments of 1988 ("CLIA") and staffed by trained technicians offering:

- Instant COVID-19 Antigen Test Results
- Rapid IgG/IgM Antibody Tests
- RT-PCR COVID-19 Test Results

CSD processes tests on approximately 200,000+ patient specimens monthly. The testing site cubes are located at shopping centres and strip malls in the United States to meet customers where they are. The Company has all of its lease agreements for

its testing sites with Simon Property Group, a major property partner in the United States. CSD couriers the specimens to its laboratory testing partner MassLabs, who since May 2021 has been the sole laboratory working with CSD. MassLabs was chosen as the exclusive partner in order to accommodate PCR testing capacities, its billing platform and connectivity to different insurance companies and the automation of its billing platform saving payroll costs on dedicated billing personnel.

CSD's technology-enabled solutions help to improve COVID-19 outcomes by providing innovative decision-support programs. CSD played a critical role in COVID-19 diagnosis and management by delivering over 1.1 million patient reports in 2021 compared to approximately 62,000 in 2020. These reports integrated patient-specific diagnostic information and evidence-based healthcare content to help physicians and patients better manage health. Additionally, CSD's detailed test results promoted physician adherence to evidence-based treatment guidelines.

CSD's centralized and proprietary software ("Medivolve Software Platform"), also referred to as the "Electronic Health Record App" which was acquired from Myosin on May 28, 2021 and which focuses on supporting clinical staff, is a series of assets and functionalities that enhance the customer experience and provide an end-to-end lab solution. These assets and functionalities include:

- Express electronic ordering for internal staff at CSD;
- Integrated results viewing and enhanced reports;
- Internal analytics that provide one-click trending of patient, test and population data;
- Integration with results viewing and enhanced reports;
- Clinical Decision Support tools at the point of testing;
- Services-oriented architecture with rules-based engines; and
- Seamless integration with clinical workflow.

CSD's centralized and proprietary patient product is a series of assets and functionalities that enhances the patient experience. These assets and functionalities include:

- A patient portal optimized for web and market-leading mobile devices;
- Integrated results viewing and patient education materials;
- Online appointment scheduling; and
- A clinical research opt-in acknowledgement option.

The Company believes physicians, patients, healthcare delivery systems and payers are expected to benefit from this innovative technology. The Medivolve Software Platform's rules engine interfaces with payer policies for ordering, utilization, adjudication and payment. The engine supports the selection of tests that improve quality and supports evidence-based guidelines for patient care. This innovation manages laboratory testing utilization trends without disrupting physician workflow and helps maximize the end quality of care for patients.

The billing process for laboratory services is intricate and involves various payers, such as managed care organizations, Medicare, Medicaid, physicians and physician groups, hospitals, patients, and employer groups. Each of these entities has different billing requirements. Additionally, billing arrangements with third-party administrators can further complicate the process. Physicians and physician groups may order tests for their patients, which may then be billed to a different payer depending on the beneficiary's medical benefits. Most laboratory services are billed to a party other than the physician or authorized person who ordered the test.

Through Medivolve Software Platform, CSD utilizes a centralized billing system powered by Massachusetts Laboratories, Inc. ("MassLabs") in the collection of approximately 99% of its revenue. This system generates bills to CSD customers based on payer type. Patient and third-party billing are typically semi-monthly. Accounts receivable are then monitored by billing personnel, and follow-up activities are conducted as necessary. Bad debt expense is recorded as a percentage of sales considered necessary to maintain the allowance for doubtful accounts at an appropriate level, based on CSD's experience with its accounts receivable. CSD writes off accounts against the allowance for doubtful accounts when it is determined that said account receivable will not be collected. Patient and third-party accounts are written off after the normal [dunning] cycle has ensued.

CSD's revenues are largely generated from Health Resources and Services Administration ("HRSA"), Medicare, and Medicaid programs. However, other commercial laboratory testing businesses not related to Medicare or Medicaid nevertheless heavily depend on government healthcare programs to continue operating. 58% of revenue comes from private payors, with only 1% coming from patients who directly pay for services. As mandated by law, no patients participating in the HRSA program for uninsured individuals were billed for services. Any payments from HRSA constitute payment in full for services rendered. In recent years, both governmental and private sector payers have made efforts to contain or reduce healthcare costs. This has included reducing reimbursement for clinical laboratory services.

Major components of CSD's cost of sales include lab fees, payroll expenses related to the operation of the cubes, PCR profit sharing with the lab, personal protective equipment, freight delivering samples and costs of the tests. Additionally, cubes are at locations leased by the Company that contain terms less than a year and utilities for these sties.

About HRSA

As part of enacted legislation—the Families First Coronavirus Response Act, the Paycheck Protection Program and Health Care Enhancement Act, the Coronavirus Aid, Relief, and Economic Security (CARES) Act, and the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) — the U.S. Department of Health and Human Services (HHS), will provide claims reimbursement to health care providers generally at Medicare rates for testing uninsured individuals for COVID-19, for treating uninsured individuals with a COVID-19 primary diagnosis, and for COVID-19 vaccine administration to the uninsured known as HRSA. The program is relevant to Collection Sites historical business as a retail testing service due to the fact that many patients without health insurance chose to be tested for COVID in retail settings like those operated by Collection Sites. Without an ability to fund services for individuals without health insurance, testing volumes and revenues are likely to decline. The result will be a need for Collection Sites to diversify its business to other related areas.

MPD

MPD provides retail pharmacy and mail-order pharmacy services related to COVID-19, antibiotics, dermatology, family medicine, immunology, neurology, pain management, paediatrics, preventive medicine, and psychiatry.

MPD operates a mail order pharmacy in California with a single location in San Juan Capistrano. This pharmacy takes orders from plan members or their prescribers via mail, telephone, fax, e-prescribing or the Internet. Staff pharmacists review prescriptions and refill requests with the assistance of prescription management systems. This review may involve communications with the prescriber and, with the prescriber's approval when required, can result in generic substitution, therapeutic interchange or other actions designed to help reduce cost and/or improve quality of treatment.

MPD dispenses prescription drugs directly through its mail order dispensing and specialty mail order pharmacy as well as through its retail pharmacy. All prescriptions processed by the MPD are analyzed and documented by prescription management systems. These systems provide features and functionality to allow a plan member to utilize their prescription drug benefits. These systems also streamline the process by which prescriptions are processed by MPD staff and network pharmacists. The automation of reviews—including plan eligibility, early refills, duplicate dispensing detection, appropriateness of dosage, drug interactions or allergies, over-utilization and potential fraud—improves the accuracy and efficiency of the process.

The Company believes that the MPD business will continue to be an integral aspect of its operations due to industry demographics, e.g., an aging American population consuming more prescription drugs, prescription drugs being used more often as the first line of defense for managing illness, the introduction of new pharmaceutical products, and Medicare Part D growth. The Company believes that the MPD retail pharmacy business benefits from investment in both people and technology, as well as innovative collaborations with health plans, pharmacy benefit managers and providers. Consumers want their prescriptions filled accurately, and they need medications properly managed, with useful information about how to make the most of their healthcare. The Company has responded to this by providing integrated pharmacy healthcare services that it believes make it easier for consumers to engage in healthier behaviours and save money.

OVERALL PERFORMANCE

Collection Sites was acquired by Medivolve on August 24 2020, during the third wave of the COVID-19 pandemic. Originally launched in Las Vegas Nevada, Collection Sites quickly became one of the larger COVID-19 testing businesses on the West Coast and operated 77 retail test collection locations at its peak. During the height of the third wave, in January 2021, Collection Sites saw a strong patient following of around 2,500 patients per day cumulatively across 77 locations, an average of 32.4 patients per day per location. Current testing sites as of March 31, 2022 are:

Location	Address	City	State	ZIP Code
Northridge Mall	796 Northridge Mall	Salinas	CA	93906
Brea Mall	1065 Brea Mall	Brea	CA	92821
Camarillo Premium Outlets	540 E. Ventura Boulevard	Camarillo	CA	93010
Carlsbad Premium Outlets	5620 Paseo del Norte	Carlsbad	CA	92008
Folsom Premium Outlets	13000 Folsom Boulevard	Folsom	CA	95630
Gilroy Premium Outlets	681 Leavesley Road	Gilroy	CA	95020
Great Mall	447 Great Mall Drive	Milpitas	CA	95035
The Shops At Mission Viejo	555 The Shops at Mission Viejo	Mission Viejo	CA	92691
Ontario Mills Shopping Center	1 Mills Circle, Suite 1	Ontario	CA	91764
Petaluma Village Premium Outlets	2200 Petaluma Blvd North	Petaluma	CA	94952
Stoneridge Shopping Center	One Stoneridge Mall	Pleasanton	CA	94588
Santa Rosa Plaza	1071 Santa Rosa Plaza	Santa Rosa	CA	95401
Del Amo Fashion Center	3 Del Amo Fashion Center	Torrance	CA	90503
Vacaville Premium Outlets	321 Nut Tree Road	Vacaville	CA	95687
Sherwood Mall	5308 Pacific Ave	Stockton	CA	95207
Denver Premium Outlets	13801 Grant St	Thornton	CO	80023
Coral Square	9469 West Atlantic Boulevard	Coral Springs	FL	33071
Boulevard Mall	3528 S Maryland Pkwy	Las Vegas	NV	89169
Salvation Army Harbor Light Center	2400 North Tibbs Ave	Indianapolis	IN	46222
Barton Creek Square	2901 S Capital Of Texas Hwy	Austin	TX	78746
The Domain	11410 Century Oaks Terrace	Austin	TX	78758
Cielo Vista Mall	8401 Gateway Boulevard West	El Paso	TX	79925

The business relied primarily on self-paying patients, similar to many other COVID-19 testing businesses at the time. Retail prices for tests were $179 per PCR test, $99 per Rapid Antigen Test, and $59 per Rapid Antibody Test. Over +90% of the company's testing volume was Rapid Antigen Tests.

The business was primary acquired due to its top-tier retail outlets such as shopping malls, retail centers, and city-sponsored sites. Weaknesses included the single-product model and an inability to process payments from insurance carriers or government programs.

As demand for COVID-19 testing dwindled, so did patient volumes: by May 2021, to around just 400 patients per day. By April 2021, the drop in patient volume had placed major constraints on the company's remaining 46 locations. The company had accrued a significant debt and negative cash flow from operations on a weekly basis. In a pivot in order to make Collection Sites

more financially viable, the Company expanded the laboratory agreement with Massachusetts Laboratories to increase patient access to COVID-19 testing services.

In May of 2021, Collection Sites made significant strides to improve patient care by increasing access to PCR testing as part of an initiative launched by Medivolve's new CEO, David Preiner. The move to offer PCR COVID-19 tests in addition to rapid antigen tests was an initial step to rejuvenate Collection Sites with processes that improve patient care. Later the same month, Collection Sites leveraged access to a new automated healthcare billing engine that provided access to more than 8,600 insurance carriers as well as to government programs that supported patient access to COVID-19 testing during the pandemic. This change in billing strategy enabled Collection Sites to offer COVID testing to patients with zero out-of-pocket costs "Increased Patient Access Program". The Increased Patient Access Program resulted in an 86% increase in patient volume within 48 hours of launch. While the Increased Patient Access Program testing improved access for patients, revenues per test declined to averages of $95 per PCR test, $35 per Rapid Antigen Test, and $45 per Rapid Antibody Test.

In another move to improve patient care, quality of services offered by Medivolve and earnings, the Company consolidated testing locations in June of 2021 to approximately 30 retail sites and eventually to only 24 locations by fall. In June 2021, Medivolve purchased a bespoke EMR from Myosin, an Electronic Health Records app. The integration of the Mysosin app enabled Collection Sites to streamline its clinical protocol and improve patient satisfaction, and collectively those two factors resulted in an additional +300-400% increase in testing volume.

As the delta variant of COVID-19 became prominent in the U.S. during the fall of 2021, demand for COVID testing rose, peaking at approximately 4,500 patients per day by January 2022. With only 24 retail locations operating in January, Collection Sites saw approximately 188 patients per day, per location. Collection Sites renewed its agreement with Massachusetts Laboratories on November 1, 2021 in exchange for a significant fee reduction retroactive to April 29, 2021. Taken together, these factors enabled Medivolve to maintain strong revenues from August of 2021 through to December 2021. Strengths of the business included offering a robust clinical protocol to service demand for COVID testing, a strong patient following, and its ability to integrate technology into its platform.

Medivolve is now actively exploring opportunities to diversify into other areas of healthcare. The Company's main area of interest is improving patient access to personalized medicine by building a telehealth platform powered by artificial-intelligence-guided interpretations of clinical metabolomic profiling of DNA, RNA, proteins, and metabolites. By leveraging a combination of metabolomic profiling benchmarks and remote patient monitoring technologies, Medivolve believes its AI-clinical diagnostics engine could have an opportunity to disrupt the telehealth market as well as an opportunity to improve patient care. While the Company is currently in the early stages of engineering its new technology platform, our team plans to incorporate AI-driven tools that enable physicians to analyze numerous biomarkers, symptoms, conditions, risk factors, and demographics. These data points may help physicians understand why two patients with the same clinical diagnosis require treatments with different medications—helping physicians choose the most effective medication for each patient, the first time.

Current subsidiaries, Collection Sites and Marbella Pharmacy, provide the underpinning databases and regulatory framework required for Medivolve's software development team to initiate work on its AI-clinical diagnostics engine. The Company does not anticipate a significant upfront capital expenditure in developing its AI-clinical diagnostics engine as most of the engineering will be performed in house or in collaboration with vendors, like Massachusetts Laboratories. Benchmarks will include securing access to medical databases, securing access to bespoke clinical assays, and securing rights to intellectual property. The Company intends to launch its telemedicine platform before Q1 of 2023.

IMPACT OF COVID-19

The outbreak of the novel strain of SARS CoV-2 coronavirus, specifically identified as "COVID-19," has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The extent to which COVID-19 and any other pandemic or public health crisis impacts the Company's business, affairs, operations, financial condition, liquidity, availability of credit and results of operations will depend on future developments that are highly uncertain and cannot be predicted with any meaningful precision, including new information which may emerge concerning the severity of the COVID-19 virus and the actions required to contain the COVID-19 virus or remedy its impact, among others. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. 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 and its operating subsidiaries in future periods.

The Company is closely monitoring the developments of the COVID-19 situation. The global response to the COVID-19 outbreak has resulted in, among other things, border closures, severe travel restrictions and extreme fluctuations in financial and commodity markets. Additional measures may be implemented by one or more governments in jurisdictions where the Company

operates. Labour shortages due to illness, Company or government-imposed isolation programs, or restrictions on the movement of personnel or possible supply chain disruptions could result in a reduction or cessation of all or a portion of the Company's operations. The extent to which COVID-19 and any other pandemic or public health crisis impacts the Company's business, affairs, operations, financial condition, liquidity, availability of credit and results of operations will depend on future developments that are highly uncertain and cannot be predicted with any meaningful precision, including new information which may emerge concerning the severity of COVID-19 and the actions required to contain COVID-19 or remedy its impact, among others.

The actual and threatened spread of COVID-19 globally could also have a material adverse effect on the regional economies in which the Company operates, could negatively impact stock markets, including any future trading price of the Company's shares, could adversely impact the Company's ability to raise capital, could cause continued interest rate volatility and movements that could make obtaining financing or renegotiating the terms of the Company's existing financing more challenging or more expensive.

As a result of the continued and uncertain economic and business impact of the COVID-19 pandemic, the Company has reviewed the estimates, judgments and assumptions used in the preparation of its financial statements, including with respect to the determination of whether indicators of impairment exist for its tangible and intangible assets and the credit risk of its counterparties. Although the Company has determined that no significant revisions to such estimates, judgments or assumptions were required for fiscal 2021.

Any of these developments, and others, could have a material adverse effect on the Company's business and results of operations. In addition, because of the severity and global nature of the COVID-19 pandemic, it is reasonably possible that the estimates in the financial statements could change in the near term and the effect of the change could be material. Potential impacts may include, but are not limited to, impairment of long-lived assets and a change in the estimated credit loss on accounts receivable.

In addition, as the Company's current primary business focus is on mobile COVID-19 testing, the Company's financial performance is significantly linked to the future need for such testing in addition to the funding of future testing as the Company has pivoted to a Increased Patient Access Program testing model in which payment is received from insurance providers and government programs.

INVESTMENTS AND MATERIAL AGREEMENTS

Profit-sharing agreement with More Than Just Rice

On April 7, 2020, the Company announced that it had entered into a profit-sharing agreement with More Than Just Rice, Inc. ("MTJR"). MJTR entered into a supply agreement with PCL Inc. ("PCL"), a South Korean company, to secure the exclusive right to distribute and market PCL's various technologies, tests and kits, including specifically PCL's proprietary COVID-19 IgG/IgM Rapid Gold Tests in the United States and Canada with selling rights in Mexico and South America.

Under the profit-sharing agreement, Medivolve would receive 40% of the net profits in connection with, or in any way related to MJTR's relationship with PCL and/or sales of the antibody tests. As consideration, the Company was obliged to issue 10,000,000 common shares (a total of 5,000,000 shares subject to milestones based on the sales of the tests, and the remaining 5,000,000 shares upon MTJR's satisfaction of all conditions under the supply agreement).

The Company was obliged to use its best efforts to work with MJTR to deliver, or cause to be delivered: (i) up to USD$250,000 to MJTR in reimbursement for actual costs in connection with the product and the implementation of the supply agreement and (ii) USD$10,000,000 to MJTR for the purchase of the tests from PCL, which amount is to be reduced by deposits received by MJTR from third-party purchasers of the tests.

On April 23, 2020, the Company issued a promissory note (the "Note") in the amount of USD$7,700,000 ($9,803,640) to an arms length, third-party lender (the "Lender") to fund a portion of the initial cash payment. MJTR was obliged, prior to making any payments from the gross proceeds received from the sale of products or any business with PCL, to apply all or any portion of such proceeds to repay any and all funds advanced to MTJR by the Company, including the reimbursement amount.

No interest is payable under the terms of the Note.

Subsequently, it was determined that the test kits could not be sold in the United States as they did not meet the emergency use provision of the FDA. As a result, the Company and MTJR are seeking to have the funds paid to PCL refunded in their entirety. As this is a contingency related to a possible gain that is not virtually certain to occur, no amounts have been recognized related to the refund.

In addition, as a result of the test kits not being available to sell in the United States, the profit-sharing agreement with MTJR has been terminated.

As additional consideration for providing the Note, the Company agreed to pay the Lender an origination fee of USD$1,300,000 and to issue to the Lender 6,000,000 common shares as, subject to any applicable regulatory approvals. The origination fee forms part of the principal owing under the Note, consequently USD$9,000,000 was due at maturity. The 6,000,000 common shares were issued to the Lender on April 23, 2020, with as estimated fair value of $2,790,000 based on the closing price of the share on the date of issuance.

The Note provides for security over all of the assets of the Company and was due within 60 days from the date of issuance. On June 25, 2020, the Lender approved a 60-day extension of the loan. On October 21, 2020, the Company signed a 90-day 12% loan agreement with the Lender for $600,000. On November 10, the Company repaid $1,600,000 as partial payment against the USD$7.7 million promissory note.

On February 9, 2021, the Company issued 8,545,724 common shares in settlement of USD$3,100,000 ($3,931,033) owed to the Lender. As at December 31, 2020, the loan was in default and the amount outstanding was presented as a current liability. On July 9, 2021, the Company issued 93,156,700 units in settlement of USD$4,680,766 ($5,869,681) and $651,288 owed to the Lender.

Investment in Eco Capital Growth Corp.

On March 23, 2020, the Company acquired an investment in Eco Capital Growth Corp. ("Eco Capital"). Eco Capital was an early-stage investor and incubator of green investments. In consideration, the Company issued 8,000,000 of its common shares. The total consideration paid to acquire the investment in Eco Capital was $1,240,000 based on the fair market value of the common shares issued by the Company. The fair market value of the common shares was estimated based on their trading price at the time of the transaction. Following the acquisition of Collection Sites LLC, the Issuer decided to focus its resources to develop and advance the COVID-19 testing business. As a result, the Issuer made the determination that it was no longer commercially viable to fund the Eco Capital operations and the decision was made to write down the asset. On December 31, 2020, the Company wrote down the fair value of Eco Capital to reflect the sale of this investment to an arm's-length company for $1 in January 2021.

Investment in Athletics and Health Solutions Inc.

On April 16, 2020, the Company acquired an investment in Athletics and Health Solutions Inc. ("A&H"), a recently incorporated private Ontario corporation. The Company issued 6,000,000 common shares to four arm's length vendors of the A&H common shares valued at $3,000,000 based on the fair market value of the common shares issued by the Company. The Company acquired the shares as A&H had a letter of intent to establish COVID-19 protocols with a Colombian organization to restart the business. On December 31, 2020, the Company wrote down the fair value of A&H to reflect the failure to enter into the agreement with the organization. This investment was sold to an arm's- length Company for $1 in January 2021.

Investment in Amino Therapeutics

On April 13, 2020, the Company acquired 40% of the issued and outstanding shares of Amino Therapeutics Inc. ("Amino"). Amino holds the exclusive rights to leverage its parent company's, Exponential Genomics Inc. ("Xenomics") XenoArray platform to engineer a potential treatment for COVID-19 based on peptide protease inhibitors. The XenoArray platform is developed to genetically modify multiple microbial strains to produce thousands of peptide-based protease inhibitors in parallel. The terms of transaction (the "Amino Investment") were as follows:

The collective shareholders of Amino agreed to sell a 40% equity interest to Medivolve in exchange for the issue of 15,000,000 of common shares of the Company at $0.305 per share and cash payments of $2 million, including US$100,000 payable on the closing date (paid), and a further US$1.9 million payable in installments between July 30, 2020 and December 15, 2021 (US$80,000 paid). As additional consideration, Amino issued to the Company a warrant entitling the Company to purchase an additional 9% equity in Amino for $2 million with an expiry of 24 months from the closing date, and Xenomics issued to the Company a warrant entitling the Company to acquire up to a 9.9% equity in Exponential for USD$2 million for a period of 12 months from the closing date. The estimated fair value of the warrants issued by Amino and Xemonics, respectively, was assessed and determined to be $nil.

Amino is focused on developing biologic therapeutics for COVID-19. Amino's research targets small molecule drug candidates and targeted drug delivery systems to transport biologics into the cytosol. The potential treatment for COVID-19 being developed by Amino is an still early-stage research and development project. It has not been clinically tested, determined to be effective,

or submitted to any regulatory authority for approval for human use. Amino has currently put this project on hold as more funding is needed to continue the research and development.

On March 11, 2021 the Company entered into an amended agreement with the collective shareholders of Amino to reduce the ownership interest from 40% to 10% and return of the warrant issued by Xenomics in consideration for the forgiveness of all outstanding debts and the release of future cash payment obligations in connection with the Amino Acquisition in the aggregate amount of US$1,200,000 (the "Amino Investment Amendment"). During the year ended December 31, 2021, the Company further impaired its investment in Amino by $947,428 due to delays in continuing the research and development of the project.

Investment in Glenco Medical Corp.

On June 22, 2020, the Company completed its acquisition of a 30% interest in Glenco Medical Corp. ("Glenco Medical"). In exchange, the Company issued a total of 12,000,000 of its common shares to 2451013 Ontario Inc., Dr. Glenn Copeland's holding company, at a price of $0.185 per share based on the market price of the common shares at the time of issuance. Dr. Copeland was appointed Chairman of Medivolve's Medical's Advisory Committee and received consulting fees pursuant to a consulting agreement for his role. In June 2021 the consulting agreement with Dr. Copeland was terminated.

Glenco Medical is a medical treatment company that specializes in extended clinical care, home treatment and innovative performance technologies using wearable, unrestricted and individual therapies to accelerate orthopedic injury healing and training recovery. Glenco Medical develops and organizes data driven COVID-19 screening protocols and testing procedures. As virus testing is crucial for recovery, these protocols are designed to provide a safe return for business operations, manufacturing, hydropower plants, service sectors, sports, technology industries etc. using up to date public health recommendations and guidelines. Due to the fact Glenco Medical was unable to develop a commercially viable business, as at December 31, 2020, the Company wrote down the investment to a nominal value. Should market conditions improve and the fair value of investments increase, the asset will be written up at that time.

Investment in Latin-Canada Pharma Inc.
On July 28, 2020, the Company entered into an arms-length definitive agreement with Latin-Canada Pharma Inc. (Canada) (the "Vendor") and Latin-Canada Pharma Inc. (Bahamas) ("LCP Bahamas") to acquire a 28% indirect equity interest in Sanaty IPS S.A.S. ("Sanaty"), a full-service medical clinic in Colombia. Sanaty was designated as an "Institucion Prestadors de Servicios de Salud" (IPS) (a health providing institution) by the Colombian Ministry of Health which allows Sanaty to provide medical consultation and diagnostic services in Colombia. Sanaty's medical team, comprised of physicians, surgeons, psychologists, nurses and medical technicians, provide a full-service experience to patients. Sanaty's inaugural clinic and headquarters are in Cucuta, Santander, Colombia.

Pursuant to the agreement, Medivolve acquired a 40% interest in LCP Bahamas, and LCP Bahamas owns 70% of Sanaty. As consideration for the acquisition, Medivolve issued to the Vendor an aggregate of 12,000,000 common shares with an ascribed value of $0.18 per common share. In addition, Medivolve was required to issue: (i) 2,000,000 additional common shares to the Vendor if Santy's EBITDA is greater than US$9 million for the 2021 year-end as evidenced by financial statements audited under IFRS standards; and (ii) an additional 2,000,000 common shares to the Vendor if Sanaty's EBITDA is greater than US$18 million for the 2022 year-end as evidenced by financial statements audited under IFRS standards. These milestones were not met and consequently the additional common shares of Medivolve were not issued. The Company had an option to acquire an additional 10% equity interest in LCP Bahamas from the Vendor within 60 days following the closing of the transaction by paying US$600,000 to the Vendor. On September 11, 2020, the Company announced that Sanaty has initiated its comprehensive COVID-19 testing program with the sale of both PCR and antibody test kits through its inaugural clinic. Following the acquisition of Collection Sites LLC, the Company decided to focus its resources to develop and advance the COVID-19 testing business. As a result, the Company made the determination to no longer fund the Sanaty operations and the decision was made to write down the asset. At December 31, 2020, the Company wrote down the investment in Latin-Canada Pharma Inc. to nil as there has been no indication that the operation has been profitable. Should market conditions improve and the fair value of investments increase, the asset will be written up at that time. As at December 31, 2021 Sanaty was continuing to operate out of a deficit.

Investment in Spectral Analytics Inc.

On August 4, 2020, the Company entered into an arms-length agreement to acquire a 40% equity interest in Spectral Analytics Inc. ("Spectral") by issuing 10,000,000 of the Company's common shares and $470,000 USD. The transaction was conditional upon Spectral receiving Institutional Review Board (IRB) approval for human trials and the completion of a successful in-vitro study of a combination of two FDA drugs to treat COVID-19. Pursuant to the agreement, Medivolve also received a warrant to acquire an additional 5% of Spectral for an exercise price of US$150,000 (included in the payment of US$470,000) exercisable

following successful future human trial results as determined by Medivolve and as measured by the FDA. The investment in Spectral Analytics was not made as the appropriate IRB approvals were not secured to move forward with the study.

Investment in Modern Rx LLC

On March 16, 2021, Medivolve announced the signing of a binding Letter of Intent (LOI) to acquire a 100% equity interest in Modern Rx LLC ("Modern"), a Las Vegas based pharmacy from the shareholders of Modern.

Medivolve will acquire a 100% equity interest in Modern from the shareholders of the company. As consideration for the acquisition of a 100% equity interest in Modern, Medivolve shall pay to the Modern shareholders: (i) cash consideration of US$100,000; and (ii) one (1) million common shares of Medivolve. The completion of the transaction to acquire 100% of Modern Rx LLC is subject to customary closing conditions, including due diligence to the satisfaction of Medivolve, the parties entering a definitive agreement and NEO Stock Exchange approval. No finder fees are payable in connection with, and no change of control of Medivolve will result from, the transaction. On May 17, 2021, Medivolve announced it determined that the acquisition of the Marbella Pharmacy will be a better fit for the Company's business going forward.

Investment in Marvel Diagnostics Inc.

On January 24th, 2021, Medivolve announced a share purchase agreement to acquire up to 40% of Marvel Diagnostics Inc, for an aggregate price of up to US$1 million through a series of milestone-based payments. This funding was to be used by Marvel to complete clinical studies for the BlowFISH collection system and to design and optimize, manufacture and market the device. The BlowFISH sample collection system is based on continuous condensation and can efficiently collect a substantial liquid sample directly from a patient's exhaled breath requiring the patient to simply blow into an inexpensive disposable device a few times.

The share purchase agreement gave Medivolve the right to purchase up to 40% of Marvel Diagnostics for an aggregate purchase price of up US$1 million. Under the terms of the agreement, Medivolve was to make: (i) an initial investment of US$165,000 within 30 days (paid) to acquire approximately 6.6% of Marvel Diagnostics; and (ii) a second investment of US$165,000 within 60 days (paid) to acquire an additional 6.6% of Marvel Diagnostics. Following the two initial investments, Medivolve had the right to purchase an additional 26.8% of Marvel based on a series of milestones that included:

- Successful clinical trial result for the BlowFISH collection device;
- Successful receipt of emergency use authorization for the collection device and;
- Receipt of emergency use authorization for rapid antigen BlowFISH detection.

As part of the investment, Medivolve had the right to appoint a director to the board of directors of Marvel Diagnostics. During the year ended December 31, 2021, the Company fully impaired the investment as the technology was no longer commercially viable.

Massachusetts Laboratories Inc.

On December 7, 2020, the Company signed an agreement to engage MassLabs for COVID-19 diagnostic testing services. These services were for COIVD-19 testing in accordance with orders given by the submitting physicians, reporting the results of each such COVID-19 test to the ordering physician or approved entity and arrange the courier or next-day delivery service for specimen delivery to MassLabs' facilities in a timely manner. In addition to this, MassLabs provided CSD managed billing services during the term of the agreement. In addition to the services outlined in the agreement MassLabs also provides CSD nasal collection kits, saliva collection kits and PCR (COVID-19) tests. In consideration for these services and goods, fees are paid according to schedule agreed in advance by both parties. On November 1, 2021, this agreement was amended to revise the fee schedule in Medivolve's favor by reducing amounts originally charged by Massachusetts Laboratories, those fees were recalculated retroactively to April 30, 2021.

The CEO of Medivolve, David Preiner is also the CEO of Xenomics, MassLabs' parent company. CSD entered into the agreement with MassLabs prior to Mr. Preiner joining as an officer of Medivolve. In order to avoid any appearance of preference or conflict, Mr. Preiner recuses himself from any discussions/negotiations with MassLabs and such discussions/negotiations are undertaken by other management and the board directly.

Simon Management Associates II, LLC

A lease agreement entered into among Simon Management Associates II, LLC ("Landlord") and Collection Sites ("Tenant") dated March 8, 2021, as amended on November 1, 2021 and subsequently amended on January 15, 2022 (together, the "Lease") to provide space for CSD's mobile testing sites at shopping centres and strip malls in the United States. The Lease has a term though to January 31, 2022, and the Tenant extended the term through to January 31, 2023. For the period from February 1, 2022 to April 30, 2022, Tenant pays US$3,500 per month per testing site location. From May 1, 2022 through to January 31, 2023, Tenant will pay US$4,500 per month per testing site location. In the event the Lease is extended, from February 1, 2023 to April 30, 2023 the Tenant will pay US$4,750 per month per testing site location.

ASSET ACQUISITIONS

Noble Bioscience Corp

On March 2, 2021, Medivolve announced that it entered into a definitive agreement and subsequently closed the transaction to acquire 100% of Noble Bioscience Corp. ("Noble Bioscience"), first announced on February 2, 2021. Noble Bioscience was purchased for its agency rights for Nuturell's Surface Shield technology. Medivolve issued a total of 12.5 million Medivolve common shares to the shareholders of Noble Bioscience, in exchange for a 100% interest in Noble Bioscience. No finder fees were paid in connection with, and no change of control of Medivolve resulted from, the transaction. Noble Bioscience held the agency rights to Nuturell's Surface Shield technology in the United States, Canada and Caribbean countries. Nuturell's non-toxic silver surface shield technology is a COVID-19 disinfectant that converts into a protective shield when air dry, killing the coronavirus among other pathogens for up to 90 days after only ~30 seconds of contact. Nuturell's Surface Shield technology was created to overcome the limitations of standard harsh chemical disinfectants and cleaning agents that suffer from various constraints such as their harmfulness, corrosive nature and bacterial resistance. Nuturell's surface shield has a broad killing range of pathogens including the human coronavirus in only ~30 seconds of contact and is considered a "green" surface shield. Silver has been well-known as an antimicrobial agent and for its medicinal importance due to the remarkable pathogen killing properties. During the three months ended June 30, 2021, the agency rights to Nuturell's surface shield technology were terminated by Nuturell and as a result, the Company fully impaired this asset with a value of $4,647,135 as this was the only asset in Noble Bioscience.

Electronic Health Record Application

On May 6, 2021, Medivolve announced that it has signed an agreement to acquire a 100% interest in the Electronic Health Record application and all associated intellectual property and technology (the "App") from Myosin Incorporated. The electronic health record platform was designed to improve patient care and increase collaboration with clinicians through an efficient, cloud-based system. The app streamlines patient intake forms and delivers medical reports through personalized patient portals. Clinical staff members are empowered with a platform to consolidate provider and staff responsibilities to organize patient information before, during, and after interactions. The cloud-based infrastructure eliminates the need for software downloads and specialized hardware, making it easily deployable. Clinical workflows are streamlined in the company's system to minimize the time required to submit orders, share results, and access reports. Medivolve acquired a 100% interest in the App from Myosin for consideration of twenty (20) million common shares of Medivolve. On May 28, 2021, the Company signed the definitive agreement and closed the transaction to acquire a 100% interest in the Electronic Health Record application and all associated intellectual property and technology from Myosin. No finder fees were payable in connection with, and no change of control of Medivolve resulted from, the transaction.

The Company has integrated the App into the business of its subsidiary, Collection Sites. The App serves as the main cornerstone of this business by connecting patients, healthcare practitioners, and laboratory staff on a single platform. The App has greatly reduced the face time required with patients to perform testing services. On average, the time required to perform each COVID-19 test has decreased from over 20 minutes per test to less than 5 minutes per test. The App is also designed to ensure that the highest quality of COVID testing services are performed for each patient, which requires each patient to receive a PCR test, antigen test, and antibody test.

Marbella Pharmacy

On August 13, 2021, the Company entered into an agreement to acquire all of the issued and outstanding shares in Optimum Care Pharmacy/Bayview Pharmacy DBA Marbella Pharmacy, a retail pharmacy business in California, United States. The purpose of the acquisition was to create future synergies in the Company's potential future digital health business. The Company paid total consideration for the Marbella Pharmacy shares of $474,135 consisting of US$275,000 ($344,134, based on the Bank of Canada daily exchange rate on [date] of $1.00 = US$0.799), and 2,000,000 common shares, issued at $0.065 per share.

FINANCING

Bought Deal Private Placement

On January 26, 2021, the Company announced that it had closed the previously announced "bought deal" private placement of an aggregate of 20,000,000 units (the “Units”) at a price per Unit of $0.25 (the “Issue Price”) for aggregate gross proceeds to the Company of $5,000,000 (the “Offering”). Canaccord Genuity Corp. (“Canaccord”) acted as the sole lead underwriter and sole bookrunner for the Offering. Each Unit consisted of one common share of the Company (a "Common Share") and one-half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant"). Each Warrant entitles the holder thereof to purchase one Common Share at an exercise price of $0.40 until January 26, 2023, subject to an acceleration right exercisable by the Company if, at any time following the date that is four months and one day from the closing date, the daily volume weighted average trading price of the Company's Common Shares on the NEO Exchange is greater than $0.80 for the preceding 10 consecutive trading days. As consideration for the services provided by Canaccord in connection with the Offering, Canaccord received (i) a cash commission equal to 6.5% of the gross proceeds of the Offering (other than from the issue and sale of the Units to certain purchasers on a president's list, for which a 3.0% cash commission was paid), (ii) a corporate finance fee equal to 276,800 Units, and (iii) 1,160,000 compensation warrants (the “Compensation Warrants”). Each Compensation Warrant shall entitle the holder thereof to acquire one Unit at the Issue Price until January 26, 2023.

July 2021 Private Placement Financing

On July 9, 2021, Medivolve announced that the Company closed the previously announced private placement of an aggregate of 171,428,579 units (the “Units”) at a price per Unit of $0.07 (the “Issue Price”) for aggregate gross proceeds to the Company of $12,000,000 (the “Offering”). Each Unit consists of one common share of the Company (a "Common Share") and one common share purchase warrant (a "Warrant"). Each Warrant entitles the holder thereof to purchase one Common Share at an exercise price of $0.08 until July 12, 2026. No finder fees or commissions were paid as part of the Offering.

August 2021 Convertible Note Financing

On August 31, 2021, the Company announced that it had closed the previously announced secured convertible note financing for aggregate gross proceeds to the Company of $1,200,000. The notes have a term of 24 months and are convertible into an aggregate of up to 17,142,857 units at a price per unit of $0.07. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share at an exercise price of $0.08 for a period of five years from the date hereof being August 31, 2026. No finder fees or commissions were paid as part of the offering.

November 2021 Private Placement Financing

On November 9, 2021, the Company announced that it has closed a private placement of an aggregate of 7,142,857 units (the "Units") at a price per Unit of $0.07 (the "Issue Price") for aggregate gross proceeds to the Company of $500,000 (the "Offering"). Each Unit consists of one common share of the Company and one common share purchase warrant (a "Warrant"). Each Warrant entitles the holder thereof to purchase one Common Share at an exercise price of $0.08 until November 9, 2026. No finder fees or commissions were paid as part of the Offering.

November 2021 Debt Settlement

On November 22, 2021, the Company settled $441,000 of its outstanding cash indebtedness owed to a creditor by way of the issuance of 6,300,000 common shares at an effective price per share of $0.07.

Financing Type / Amount / Closing Date	Use of Proceeds (excluding working capital)	Variances	Impact of Variances
Common Shares / C$2 million / March 23, 2020	Pursuing investment opportunities, including the potential acquisition of Eco Capital Growth Corp.		
Secured P-Note / US$7.7 million / April 29, 2020	Finance the purchase of 1 million COVID-19 antibody testing kits		
Units / C$1,551,100 / August 17, 2020	Pursue acquisition opportunities and expand testing capacity		
Units / C$1,448,900 / August 31, 2020	Pursue acquisition opportunities and expand testing capacity		
Units / C$5 million / January 26, 2021	Expand testing capacity and repayment of existing debt		
Units / C$12 million / July 12, 2021	Expand operating business, enhance regulatory capital, and repayment of existing debt		
Convertible Note / C$1.2 million / August 31, 2021	Expand operating business, enhance regulatory capital, and marketing		
Units / C$500,000 / November 9, 2021	Repayment of liabilities and advance the business		

There have been no material variances on the use of the proceeds from the disclosed purpose for the financings above.

SELECTED FINANCIAL HIGHLIGHTS

The following table presents selected financial information for the year ended December 31, 2021 and 2020:

	For the year ended December 31,		
	2021	2020	2019
	$	$	$
Revenue	**86,824,987**	10,583,256	-
Gain from early lease termination	**- 1,205,824**	-	-
Impairments	**8,399,658**	11,557,532	-
General and administrative	**12,102,490**	10,807,720	2,274,361
Income (loss) from operations	**1,177,566**	-24,430,153	- 2,618,245
Loss before income taxes	**- 154,036**	- 37,777,656	- 2,718,245
Net loss for the year	**- 6,610,524**	- 37,777,656	- 2,718,245
Basic earnings per share	**-0.02**	-0.08	-0.38
Diluted earnings per share	**-0.02**	-0.08	-0.38

The functional currency for each subsidiary within the Company is the currency of the primary economic environment in which it operates. The Company's consolidated financial statements are presented in Canadian dollars. The Canadian dollar is the functional currency of the Company whereas the US dollar is the functional currency of its wholly owned subsidiaries, CSD and Marbella.

	As at December 31,		Change	
	2021	**2020**		
	$	**$**	**$**	**%**
Cash	112,397	851,409	- 739,012	-87%
Total assets	59,295,417	19,131,246	40,164,171	210%
Total non-current liabilities	965,432	-	965,432	100%

The Company concluded the year ended December 31, 2021, with cash of $112,397 (December 31, 2020 – $851,409).

On October 15, 2020, concurrent with the transitioning to a single purpose company from an investment issuer, redeploying its assets and resources to be a single purpose healthcare company and on December 29, 2020, the Company announced the change of its name from "QuestCap Inc." to "Medivolve Inc." with its shares traded under new ticker "MEDV" on the NEO commencing January 7, 2021. This was due to the acquisition of Collection Site on October 15, 2020. Since the acquisition of Collections Sites and due to the change to a Increased Patient Access Program model this has led to a significant increase in total assets of the Company. The timing of payment of these receivables is based on receipt of payment from insurance and government programs rather than immediately when a patient would have paid upfront in the comparative year December 31, 2020. As at December 31, 2021 accounts receivable for the Company were $55,314,642 compared to $2,312,728 for the comparative period. During the fiscal 2020 year, the Company also made significant investments in a variety of healthcare companies, there were significant impairments in fiscal 2021 leading to a decrease in investments and intangibles of $8,596,732.

RESULTS OF OPERATIONS

The following table outlines our consolidated statements of loss for three months and years ended December 31, 2021 and 2020:

	For the three months ended December 31,				For the year ended December 31,			
	2021	2020	Change		**2021**	2020	Change	
	$	$	$	%	**$**	$	$	%
Revenue	**45,281,317**	10,583,256	34,698,061	328%	**86,824,987**	10,583,256	76,241,731	720%
Cost of sales	**22,263,723**	5,976,818	16,286,905	273%	**50,255,887**	5,976,818	44,279,069	741%
Gross Profit	**23,017,594**	4,606,438	18,411,156	400%	**36,569,100**	4,606,438	31,962,662	694%
General and adminstrative	**4,109,319**	3,452,694	656,625	19%	**12,102,490**	7,744,225	4,358,265	56%
Facility costs	**8,187**	3,432,831	-3,424,644	-100%	**7,478,818**	3,607,022	3,871,796	107%
Marketing and promotion	**907,522**	405,572	501,950	124%	**3,276,756**	1,805,299	1,471,457	82%
Foreign exchange (gain)	**- 209**	-193,714	193,505	-100%	**- 17,435**	-300,618	283,183	-94%
Financing costs	**78,881**	-40,274	119,155	-296%	**482,700**	4,683,766	-4,201,066	-90%
Interest income	**- 15,741**	-22,021	6,280	-29%	**- 57,972**	-60,635	2,663	-4%
Gain from early lease termination	**-**	-	-	-100%	**- 1,205,824**	-	-1,205,824	-100%
Provision for legal judgment	**3,050,264**	-	3,050,264	100%	**3,050,264**	-	3,050,264	100%
Cost of termination of contract	**-**				**1,285,915**	-		
Impairments	**4,348,697**	11,467,088	- 7,118,391	-62%	**8,995,832**	11,557,532	-2,561,700	-22%
Total operating expenses	**12,486,920**	18,502,176	-6,015,256	-33%	**35,391,544**	29,036,591	6,354,953	22%
Income (loss) before other items	**10,530,674**	-13,895,738	24,426,412	-176%	**1,177,556**	-24,430,153	25,607,709	-105%
Unrealized gain (loss) on investment and loan receivable	**- 200,919**	- 9,060,169	8,859,250	-98%	**2,583**	- 9,107,503	9,110,086	-100%
Loss from investments in associates	**- 313,516**	-	- 313,516	100%	**- 313,516**	-	- 313,516	100%
Impairment of investment in associates	**400,000**	-	400,000	-100%	**- 264,890**	-	- 264,890	-100%
Gain on debt settlement	**109,787**	-	109,787	100%	**285,129**	-	285,129	100%
Fair value loss on private investments	**-**	- 4,240,000	4,240,000	-100%	**- 1,040,898**	- 4,240,000	3,199,102	-75%
Net income (loss) before taxes	**10,526,026**	- 27,195,907	37,721,933	-139%	**- 154,036**	- 37,777,656	37,623,620	-100%
Income tax expense	**- 6,456,489**	-	- 6,456,489	100%	**- 6,456,489**	-	- 6,456,489	100%
Net income (loss) for the year	**4,069,537**	- 27,195,907	31,265,444	-115%	**- 6,610,525**	- 37,777,656	31,167,131	-83%
Other comprehensive income								
Foreign currency translation gain	**272,722**	105,580	167,142	158%	**194,162**	105,580	88,582	84%
Net income (loss) and comprehensive income (loss) for the year	**4,342,259**	- 27,090,327	31,432,586	-116%	**- 6,416,363**	- 37,672,076	31,255,713	-83%

Certain of the 2020 comparative amounts have been reclassified to conform to the 2021 form of presentation. The change in presentation was made to provide more relevant information to the users of the financial statements and better conform to the IAS 1 presenting expenses based on their function.

REVIEW OF OPERATIONS FOR THE THREE MONTHS AND YEARS ENDED DECEMBER 31, 2021 AND 2020

Revenue

	For the three months ended December 31,				For the yer ended December 31,			
	2021	2020	**Change**		**2021**	2020	**Change**	
	$	**$**	**$**	**%**	**$**	**$**	**$**	**%**
Revenue	**45,281,317**	10,583,256	34,698,061	328%	**86,824,987**	10,583,256	76,241,731	720%

Revenue increased from $10,583,256 to $45,281,317 or 328% and increased from $10,583,256 to $86,824,987 or 720% for the three months and year ended December 31, 2021, respectively, compared to the equivalent periods in the prior year. Approximately 99% of the Company's revenue is from the CSD business unit and 1% of the revenue is from the MPD business unit for the year ended December 31, 2021 compared to 100% and 0% in the prior comparable period and 99% and 1% for the three months ended December 31, 2021 compared to 100% and 0% in the prior comparable period.

Revenues increased in the three months and year ended due to a myriad of factors. The most significant of which was the integration of the electronic health records application ("EHR"), which was able to simplify and streamline CSD's ability to provide COVID testing. Due to the new efficiencies the portal brings, patients can now receive all appropriate tests required to determine if they are COVID-19 positive, negative, or have developed antibodies. In addition to an easy-to-use simplified user interface,

the software not only offers proficiencies in operational and financial workflows between the collection sites locations and its partnered labs but expedites lab results to its patients as well. Noteworthy features and benefits of Medivolve's EHR include: Computerized provider order entry (CPOE) improving data capture quality and aiding laboratory compliance, improvements from testing locations to CLIA certified laboratory workflow enabling quicker entry of patient information and certified results, access to real-time data providing patients the opportunity to make informed decisions about returning to school, work, or social gatherings, built-in quality control bringing uniformity, traceability, and accountability to testing services across all testing locations and upgraded security to meet healthcare regulations and compliance guidelines. In addition to this, CSD switched from a cash pay business model to primarily insurance claims and reimbursements from various government programs. This led to an increase in patient volumes and also average revenue per patient as to ensure the optimal patient care all three of the Instant COVID-19 Antigen Test, the Rapid IgG/IgM Antibody Tests and RT-PCR COVID-19 Test are performed. The prices for these tests are approximately $35, $45 and $95 respectively. There were approximately 530,000 and 1,140,000 total tests completed for the three months and year ended December 31, 2021 compared to approximately 60,000 and 60,000 for the comparative periods in 2020. In addition, the various waves of the pandemic had a significant impact on the demand for testing. For the three months and year ended December 31, 2021 the average daily cases in the United States according the CDC were 126,806 and 94,441 compared to 114,414 and 54,830 for the comparative periods.

Cost of sales

	For the three months ended December 31,				**For the yer ended December 31,**			
	2021	2020	**Change**		**2021**	2020	**Change**	
	$	**$**	**$**	**%**	**$**	**$**	**$**	**%**
Cost of sales	**22,263,723**	5,976,818	16,286,905	273%	**50,255,887**	5,976,818	44,279,069	741%

Cost of sales increased from $5,976,818 to $22,263,723 or 273% and increased from $5,976,818 to $50,255,887 or 741% for the three months and year ended December 31, 2021, respectively, compared to the equivalent periods in the prior year. The increase in both the three months and year ended were due to the increase in tests performed. There were approximately 530,000 and 1,140,000 total tests completed for the three months and year ended December 31, 2021, compared to approximately 60,000 and 60,000 for the comparative periods in 2020.The significant drivers of cost of sales include lab fees, cost sharing expenses with the lab, direct payroll costs and test costs. Due to the new agreement with MassLabs in December 2020 there were increased costs sharing costs, however test costs and lab fees decreased on a per test basis for both the three months and year ended December 31, 2021.

Gross profit

	For the three months ended December 31,				**For the yer ended December 31,**			
	2021	2020	**Change**		**2021**	2020	**Change**	
	$	**$**	**$**	**%**	**$**	**$**	**$**	**%**
Gross profit	**23,017,594**	4,606,438	18,411,156	400%	**36,569,100**	4,606,438	31,962,662	694%

Gross profit increased from $4,606,438 to $23,017,594 or 400% and increased from $4,606,438 to $36,569,100 or 694% for the three months and year ended December 31, 2021, respectively, compared to the equivalent periods in the prior year. The margins were 50.8% and 42.1% for the three months and year ended December 31, 2021, compared to 43.5% and 43.5% for the comparative periods. For the year ended 2021, the increase in gross profit was due to the increased testing volumes compared to the comparative period. The margin slightly decreased due to the cost sharing with the laboratory however this was offset with lower overall testing and lab costs based on the updated agreement with MassLabs. The Company's cost of sales are a mix of fixed fees such as billing services, lab fees, profit sharing and PCR test kits as well as payroll, courier, personal protective equipment and antigen and antibody tests. For the three months ended December 31, 2021, the gross profit percentage increased compared to the comparative period primarily due to reduced testing kit costs and direct payroll due to operational efficiencies in the three months ended December 31, 2021.

General and administrative expenses

	2021	2020	Change		2021	2020	Change	
	$	$	$	%	$	$	$	%
General and administrative	**4,109,319**	3,452,694	656,625	19%	**12,102,490**	7,744,225	4,358,265	56%

	For the three months ended December 31,		For the year ended December 31,	
	2021	2020	**2021**	2020
Consulting fees and payroll	**2,571,884**	2,319,657	**7,079,418**	5,304,981
Legal and professional	**1,002,406**	761,780	**2,587,109**	1,110,066
Other administrative	**407,542**	259,879	**1,218,744**	1,217,800
Depreciation - property and equipment	**22,941**	13,878	**89,868**	13,878
Depreciation - intangible	**104,546**	97,500	**1,127,351**	97,500
	4,109,319	3,452,694	**12,102,490**	7,744,225

General and administrative costs increased to $4,109,319 from $3,452,694 or 19% and increased to $12,102,490 from $7,744,225 or 56% for the three months and year ended December 31, 2021, respectively, compared to the equivalent periods in the prior year. See the table above fore more detail regarding general and administrative costs. The increase in general and administrative costs for the three months ended December 31, 2021, compared to the prior period are primarily due to legal costs due to the timing of litigation and costs related to the claim accrued and other miscellaneous corporate costs. For the year ended December 31, 2021, compared to the prior period in 2020, there was a large increase in general and administrative costs. This was due to the Company acquiring Collection Sites and transitioning to a single purpose company from an investment issuer, redeploying its assets and resources to be a single purpose healthcare company this led to an increase in consulting fees and payroll year over year. In addition, there was a large increase in intangible amortization due to the supplier relationship that was acquired in Q4 in the prior fiscal year amortized for a full year as well as amortization related to the intellectual property and Electronic Health Record app. Consulting fees and payroll represent the costs in order to operate the administration of Medivolve. These costs are combined as certain executives act as consultants to the Company and provide services that would otherwise be provided by an employee. Share based costs are included in this figure. There were two significant employee option grants during the year ended December 31, 2021; on February 1, 2021 and December 21, 2021. These options vested immediately and represented costs of $1,490,055 and $1,638,799 to the Company based on their fair values as calculated using Black-Scholes.

Facility costs

	For the three months ended December 31,				For the yer ended December 31,			
	2021	2020	Change		**2021**	2020	Change	
	$	$	$	%	$	$	$	%
Facility costs	**8,187**	3,432,831	-3,424,644	-100%	**7,478,818**	3,607,022	3,871,796	107%

Facility costs decreased to $8,187 from $3,452,831 or 100% and increased to $7,478,818 from $3,607,022 or 107% for the three months and year ended December 31, 2021, respectively, compared to the equivalent periods in the prior year. Facility costs consist primarily of rent, maintenance, depreciation of right of use assets, utilities, and insurance. The Company acquired Collection Sites on October 15, 2020 and as such only had facility costs for a portion of the 2020 fiscal year. This led to a significant increase in facility costs in the current fiscal year. On March 8, 2021 the Company renegotiated its lease agreement with Simon, which led to a significant decrease in rental costs for the Company going forward, and in addition closed sites from January to December 2021 representing a decrease in costs to operate the cubes with a reduction to all inputs in the facility costs. These changes from the prior three months ended December 31, 2020, led to a decrease in facility costs for the comparative period in 2021, however there were adjustments made in the three months ended December 31, 2021 that included portions related to previous quarters, which reduced the expense for this period.

Marketing and promotion

	2021	2020	Change		2021	2020	Change	
	$	$	$	%	$	$	$	%
Marketing and promotion	**907,522**	405,572	501,950	124%	**3,276,756**	1,805,299	1,471,457	82%

Marketing and promotion increased to $907,522 from $405,572 or 124% and increased to $3,276,756 from $1,805,299 or 182% for the three months and year ended December 31, 2021, respectively, compared to the equivalent periods in the prior year. Marketing and promotion costs consist primarily of investor relations, marketing, and advertising. The Company acquired Collection Sites on October 15, 2020, and as such only had advertising costs for a portion of the 2020 fiscal year. This represents approximately $700,000 of the increase in the year. Additionally, the Company had agreements with marketing firms in order to help educate the market about its many activities. The agreements with all of the marketing firms have lapsed and they were not renewed. The marketing firms offered different services and provided access to different types of investors interested in the various fields in which it was investing as an investment company, which was the basis for engaging more than one firm. None of the marketing firm engagements were considered related party transactions in accordance with IAS 24 Related Party Transactions. These costs represented the significant portion of the remainder of the increase for the year ended December 31, 2021. For the three month period ended December 31, 2021 the increase was due to increased advertising spend at Collection Sites of approximately $300,000 with the remaining increase the final costs related to a marketing engagement in order to help educate the market of Medivolve's activities.

Foreign exchange gain/(loss)

	2021	2020	Change		2021	2020	Change	
	$	$	$	%	$	$	$	%
Foreign exchange gain (loss)	**- 209**	-193,714	193,505	-100%	**- 17,435**	-300,618	225,050	-75%

Foreign exchange gain (loss) costs increased from $(193,714) to $(209) or 100% and increased from $(300,618) to $(17,435) or 75 % for the three months and year ended December 31, 2021, respectively, compared to the equivalent periods in the prior year. This variance from year to year was dependent on the fluctuation of financial assets or liabilities that are held in a currency other than the functional currency of the Company.

Financing costs

	For the three months ended December 31,				For the yer ended December 31,			
	2021	2020	Change		2021	2020	Change	
	$	$	$	%	$	$	$	%
Financing costs	**78,881**	-40,274	119,155	-296%	**482,700**	4,683,766	-4,201,066	-90%

Financing costs increased from ($40,274) to $78,881 or 296% and decreased from $4,683,766 to $482,700 or 90% for the three months and year ended December 31, 2021, respectively, compared to the equivalent periods in the prior year. For the three months and for the year ended December 31, 2021, the decrease was primarily due to the debt levels. As of December 31, 2021, there were $850,383 of loans and $965,432 of convertible notes owing compared to $13,434,364 of loans as at December 31, 2020.The interest on servicing the debt in for the year ended December 31, 2021 is significantly less due to the repayments of the debt throughout the year. There was a repayment of approximately $3,930,000 in February 2021 and an additional repayment of approximately $4,680,000 in July 2021. In addition, the company incurred financing costs related to the Note issued in April 2020 of approximately $1,700,000.

Interest income

	For the three months ended December 31,				For the yer ended December 31,			
	2021	2020	**Change**		**2021**	2020	**Change**	
	$	**$**	**$**	**%**	**$**	**$**	**$**	**%**
Interest income	**15,741**	-22,021	6,180	-28%	**57,972**	-60,535	2,563	-4%

Interest income decreased from $22,021 to $15,741 or 29% and decreased from $60,635 to $57,972 or 4% for the three months and year ended December 31, 2021, respectively, compared to the equivalent periods in the prior year. Interest income is primarily related to the two loans receivable issued to Blue Sky Energy Inc. and Breeze Laboratory SAS Colombia.

Gain from early lease termination

	For the three months ended December 31,				For the yer ended December 31,			
	2021	2020	**Change**		**2021**	2020	**Change**	
	$	**$**	**$**	**%**	**$**	**$**	**$**	**%**
Gain from early lease termination	-	0	0	0%	**1,205,824**	0	-1,205,824	-100%

Gain from early lease termination remained unchanged from $0 to $0 and increased from $0 to $1,205,824 or 100% for the three months and year ended December 31, 2021, respectively, compared to the equivalent periods in the prior year. The Company terminated a lease agreement in exchange for agreeing to make a payment of USD$50,000 ($62,875) resulting in a gain on early termination of lease of $18,563. Additionally, a separate lease agreement was amended in that the fixed lease payments were amended to a percentage of gross sales arrangement, resulting in a gain on modification of lease of $436,905 and a loss on disposal of the right of use asset of $1,329,915. Additionally, this lease agreement was amended again such that the percentage of gross sales arrangement was amended to a fixed monthly rate per location, resulting in a gain on modification of lease of $2,080,271. As consideration for the lease settlement, the Company paid USD$400,000 ($509,640) and issued $441,000 worth of common shares of the Company.

Provision for legal judgment

	For the three months ended December 31,				For the yer ended December 31,			
	2021	2020	**Change**		**2021**	2020	**Change**	
	$	**$**	**$**	**%**	**$**	**$**	**$**	**%**
Provision for legal judgment	**3,050,264**	0	3,050,264	100%	**3,050,264**	0	3,050,264	100%

On September 21, 2020, JSC Chukotka Mining and Geological Company (“CMGC”) and Medivolve Inc. (formerly QuestCap Inc) entered into an Supply Contract, Contract No. 20/CMGC/0702, whereby Medivolve would supply CMGC goods including PCR analyzers, PCR test kits and antibody tests. On or about October 2, 2020, Medivolve provided purchase order QSC-OCT-001 to CMGC per the Supply Contract and received a first deposit of $1,222,500 USD from CMGC. The final amount owing of $847,500 USD was paid on or about December 18, 2020, which was approximately 10 calendar days from the goods acceptance date of the Supply Contract. CMGC subsequently commenced arbitration in Russia against Medivolve, claiming that the supply of goods was not performed in accordance with the contract. Medivolve was not able to engage Russian counsel in a timely basis to dispute the claims. On December 23, 2021, an award was issued against Medivolve in the arbitration in the amount of $3,050,264 ($2,405,951 USD). Medivolve disputes the claims made by CMGC and plans to vigorously appeal the arbitration decision. As of the effective date March 31, 2022, the probability of payout, result of appeal and amount of the claim is uncertain.

Cost of termination of contract

	For the three months ended December 31,				For the yer ended December 31,			
	2021	2020	**Change**		**2021**	2020	**Change**	
	$	**$**	**$**	**%**	**$**	**$**	**$**	**%**
Cost of termination of contract	-	0	0	100%	**1,285,915**	0	1,285,915	100%

During the year ended December 31, 2021, the Company terminated its laboratory testing contract with one of its suppliers and recorded and associated impairment of the supplier relationship. This relationship was terminated due to capacity limitations processing PCR tests, concerns regarding collection rates for outstanding receivables, the number of insurance carriers accepted and inability to transition to the Company’s planned change to the Increased Patient Access Program strategy. In order to terminate this agreement, the Company agreed to allow the supplier retain the uncollected receivables and as such recorded a cost to terminate the contract of $1,285,915.

Impairments

	2021	2020	Change		2021	2020	Change	
	$	$	$	%	$	$	$	%
Impairments	**4,348,697**	11,467,088	-7,118,391	-62%	**8,995,832**	11,557,532	-2,561,700	-22%

Impairments	Note	**December 31, 2021**	December 31, 2020
Intellectual property impairment	10	$ **4,647,135**	$ -
Supplier relationship impairment	10	**1,891,500**	-
MJTR loan impairment	5	**-**	9,854,568
Breeze loan	3	**596,174**	
Sinai termination	10	**-**	140,835
Uncollectible private placement funds		**-**	186,905
Uncollectible advance		**-**	90,444
Allowance for expected credit losses	18	**1,861,023**	1,284,780
		$ **8,995,832**	$ 11,557,532

During the year ended December 31, 2021, the Company impaired its intellectual property acquired in Noble Bioscienceh. The agency rights to Nuturell's surface shield technology were terminated by Nuturell and as a result, the Company fully impaired this asset with a value of $4,647,135 as this was the only asset in Noble Bioscience.

During the year ended December 31, 2021, the Company impaired its supplier relationship acquired as part of the Collection Sites business combination. The Company impaired the relationship as it was terminated during the year as the Company found a more beneficial laboratory partner.

During the year ended December 31, 2021, the Company impaired its loan to Breeze due to concerns regarding collectability of the balance.

During the year ended December 31, 2021, the Company recorded allowance for doubtful accounts of $1,861,023 compared to $1,284,780 for the comparable year ended. The increase in bad debts is due to the large increase in revenues during the year, however as a % of revenue there was a significant decrease to 2.14% from 12.14% from the prior year. This decrease was primarily due to the transition to the Increased Patient Access Program testing model to the patients as the underlying receivables are from a more credit worthy organization being US government programs and insurance companies, than collecting from a patient under the previous revenue model.

During the year ended December 31, 2020, the Company recorded impairment on the MTJR loan. On April 21, 2020, the Company advanced US $7,000,000 to PCL Inc. ("PCL"), for the acquisition of the antibody tests on behalf of MTJR. MTJR was to return the funds advanced on its behalf to the Company prior to making any payments from the gross proceeds received from the sale of the tests excluding costs incurred related to the tests and the implementation of the supply agreement. Subsequently, it was determined that the test kits could not be sold in the United States as they did not meet the emergency use provision of the FDA. As a result, the Company and MTJR are seeking to have the funds paid to PCL refunded in its entirety, however has impaired the loan as the Company does not currently expect to recover the balance.

Other *item*

	For the three months ended December 31,				For the yer ended December 31,			
	2021	2020	**Change**		**2021**	2020	**Change**	
	$	**$**	**$**	**%**	**$**	**$**	**$**	**%**
Unrealized gain (loss) on investment and loan receivable	**- 200,919**	- 9,060,169	8,859,250	-98%	**2,581**	- 9,107,503	9,110,084	-100%
Loss from investments in associates	**- 313,516**	-	- 313,516	-100%	**- 313,516**	-	- 313,516	-100%
Impairment of investment in associate	**40,000**	-	40,000	-100%	**- 264,890**	-	- 264,890	-100%
Gain on debt settlement	**109,787**	-	109,787	100%	**285,129**	-	285,129	100%
Fair value loss on private investments	**-**	- 4,240,000	4,240,000	-100%	**- 1,040,898**	- 4,240,000	3,199,102	-75%
	- 364,648	- 13,300,169	12,935,521		**- 1,331,594**	- 13,347,503	12,015,909	

Unrealized gain (loss) on investment and loan receivable

Unrealized gain (loss) on investment and loan receivable decreased from a loss of $9,060,169 to $200,919 or 106% and changed from a loss of $9,107,503 to a gain of $2,581 or 100% for the three months and year ended December 31, 2021, respectively, compared to the equivalent periods in the prior year. In the prior fiscal year the unrealized loss on investments and loans receivable were related to the decrease in fair value of Amino of $3,487,071 due to the lack of funding to continue with research and development of the project, $2,040,000 for the decrease in fair value of Latin-Canada Pharma due to the lack of profitable operations and deficit in the entity, $2,200,000 for the decrease in fair value of Glenco Medical due to the lack of a commercially viable business in the entity and $375,000 for an impairment of the Company's royalty interests. The remaining write-downs for the previous year are insignificant investments. In the current year the gain in this account is related to appreciation of its public investment.

Loss from investment in associate

In the year ended December 31, 2021 it was determined that the Company held significant influence over Sulliden Mining Capital Inc. and recorded its share of the loss for the fiscal year.

Impairment of investment in associate

During the year ended December 31, 2021, the Company gained significant influence over its investment in Amino when David Preiner was named CEO. The Company assessed its investment for impairment and determined it was impaired for an additional $264,890 due to additional delays in the research and development work in Amino.

Fair value loss on private investments

Fair value loss on private investments	Note	**December 31, 2021**	**December 31, 2020**
ECO Capital fair value loss	6	**-**	1,420,000
A&H fair value loss	6	**-**	2,820,000
Amino fair value loss	6	**502,538**	
Marvel Diagnostics fair value loss	6	**418,360**	
Latin Canada Pharma fair value loss	6	**120,000**	
		1,040,898	4,240,000

During the year ended December 31, 2021, the Company recorded a loss of $502,538 to reflect the arm's length transaction of the reduction of ownership of 30% of Amino.

During the year ended December 31, 2021, the Company recorded a loss of $418,360 as the technology in Marvel was determined not to be commercially viable. As at December 31, 2021, the value of the Marvel investment was nil.

During the year ended December 31, 2020, the Company recorded a loss of $1,420,000 on Eco Capital as it decided to focus its resources to develop and advance the COVID-19 testing business. As a result, the Company made the determination that it

was no longer commercially viable to fund the Eco Capital operations and the decision was made to write down the asset. On December 31, 2020, the Company wrote down the fair value of Eco Capital to reflect the sale of this investment to an arm's-length company for $1 in January 2021.

During the year ended December 31, 2020, the Company recorded a loss of $2,820,000 for Athletic and Health Solutions ("A&H") as this was acquired by the Company to establish COVID protocols to help restart sports and businesses. A&H had signed a letter of intent with DIMAYOR, the organization responsible for operating professional football leagues and tournaments in Colombia, to restart football activities in Colombia. When A&H and DIMAYOR were not able to enter into a definitive agreement for A&H to provide protocol solutions to DIMAYOR, A&H attempted to pursue other engagements.

Income tax expense

	2021	2020	**Change**		**2021**	2020	**Change**	
	$	**$**	**$**	**%**	**$**	**$**	**$**	**%**
Income tax expense	**6,456,489**	0	6,456,489	100%	**6,456,489**	0	6,456,489	100%

During the years and quarter ended December 31, 2021, the Company incurred income tax expenses of $6,456,489 compared to $nil the comparable periods. The increase in income tax expenses relate to taxable income in its wholly owned subsidiaries in the current year. The losses in the parent company have not been recognized as a future tax asset.

SELECTED QUARTERLY INFORMATION

The following table sets forth selected unaudited quarterly statements of operations data for each of the eight quarters commencing January 1, 2020 and ended December 31, 2021. The information for each of these quarters has been prepared on the same basis as the audited annual financial statements for the year ended December 31, 2021. This data should be read in conjunction with our audited annual financial statements for the year ended December 31, 2021. These quarterly operating results are not necessarily indicative of our operating results for a full year or any future period.

	December 31, 2021	**September 30, 2021**	**June 30, 2021**	**March 31, 2021**	**December 31, 2020**	**September 30, 2020**	**June 30, 2020**	**March 31, 2020**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**
Revenue	45,281,317	26,553,297	3,742,372	11,248,001	10,583,256	-	-	-
Cost of sales	(22,263,723)	(14,809,214)	(2,988,837)	(10,194,113)	(5,976,818)	-	-	-
Gross profit	23,017,594	11,744,083	753,535	1,053,888	4,606,438	-	-	-
Net income (loss) for the period	4,263,699	7,994,959	(8,691,775)	(9,983,245)	(27,195,907)	(2,296,478)	(6,969,758)	(1,315,513)
Net income (loss) per share - basic	0.01	0.02	(0.04)	(0.05)	(0.18)	(0.03)	(0.08)	(0.04)
Net income (loss) per share - diluted	0.01	0.02	(0.04)	(0.05)	(0.18)	(0.03)	(0.08)	(0.04)

Medivolve Inc. transitioned to a single purpose company from an investment issuer, redeploying its assets and resources to be a single purpose healthcare company on October 15, 2020 and as such had a significant change in its operations as reflected in the selected quarterly information above. The most significant of which was the integration of the electronic health records application ("EHR"), which was able to simplify and streamline CSD's ability to provide. Due to the new efficiencies the portal brings, patients can now receive all appropriate tests required to determine if they are COVID-19 positive, negative, or have developed antibodies. In addition to an easy-to-use simplified user interface, the software not only offers proficiencies in operational and financial workflows between the collection sites locations and its partnered labs but expedites lab results to its patients as well. Noteworthy features and benefits of Medivolve's EHR include: Computerized provider order entry (CPOE) improving data capture quality and aiding laboratory compliance, improvements from testing locations to CLIA certified laboratory workflow enabling quicker entry of patient information and certified results, access to real-time data providing patients the opportunity to make informed decisions about returning to school, work, or social gatherings, built-in quality control bringing uniformity, traceability, and accountability to testing services across all testing locations and upgraded security to meet healthcare regulations and compliance guidelines. In addition to this CSD switched from a cash pay business model to primarily insurance claims and reimbursements from various government programs. This led to an increase in patient volumes and also average revenue per patient as to ensure the optimal patient care all three of the Instant COVID-19 Antigen Test, the Rapid IgG/IgM Antibody Tests and RT-PCR COVID-19 Test are performed. This is reflected in the growth of the Company's revenues and gross profit above.

FINANCIAL POSITION – DECEMBER 31, 2021 and 2020

As at		December 31, 2021		December 31, 2020	Change $	Change %
ASSETS						
Current assets						
Cash	**$**	**112,397**	$	851,409	$ (739,012)	-87%
Inventory		**388,631**		232,786	155,845	67%
Public investments at fair value through profit and loss		**4,302**		403,563	(399,261)	-99%
Accounts receivable		**55,314,642**		2,312,728	53,001,914	2292%
Loans receivable		**12,923**		548,605	(535,682)	-98%
Prepaid expenses and advances		**24,227**		330,682	(306,455)	-93%
Total current assets		**55,857,122**		4,679,773	51,177,349	1094%
Private investments at fair value through profit and loss		**-**		3,162,369	- 3,162,369	-100%
Investments in associates		**488,326**		-	488,326	100%
Property and equipment		**595,031**		668,778	- 73,747	-11%
Right-of-use assets		**-**		7,877,826	- 7,877,826	-100%
Intangibles		**2,354,938**		2,742,500	- 387,562	-14%
TOTAL ASSETS	**$**	**59,295,417**	$	19,131,246	$40,164,171	210%
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)						
Current liabilities						
Accounts payable and accrued liabilities	**$**	**33,198,613**	$	6,674,882	$26,523,731	397%
Income taxes payable		**6,456,489**		-	$ 6,456,489	100%
Loans payable		**850,383**		13,434,363	- 12,583,980	-94%
Lease liabilities		**-**		6,775,229	- 6,775,229	-100%
Other liabilities		**15,835**		2,260,774	- 2,244,939	-99%
Total current liabilities	**$**	**40,521,320**	$	29,145,248	$11,376,072	39%
Convertible note	**$**	**965,432**	$	-	$ 965,432	100%
Total liabilities	**$**	**41,486,752**	$	29,145,248	$12,341,504	42%
Shareholders' Equity						
Share capital	**$**	**67,281,741**	$	41,269,852	$26,011,889	63%
Share-based payment reserve		**11,171,601**		3,699,378	7,472,223	202%
Equity component of convertible note		**255,424**		-	255,424	100%
Accumulated other comprehensive income		**299,742**		105,580	194,162	184%
Deficit		**(61,199,843)**		(55,088,812)	(6,111,031)	11%
Total shareholders' equity (deficiency)	**$**	**17,808,665**	$	(10,014,002)	$27,822,667	-278%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICI	**$**	**59,295,417**	$	19,131,246	$40,164,171	210%

Assets

Current assets

Cash decreased by $739,012 or 87%, primarily due to the cash flows used in operating and investing activities exceeding the cash flows provided by financing activities in Fiscal 2021.

Inventory increased by $155,845 or 67%, primarily due to the acquisition of Marbella Pharmacy in fiscal 2021, as well as an slight increase of inventory at Collection Sites due to larger demand for tests in fiscal 2021.

Public investments at fair value through profit and loss decreased by $399,261 primarily due to gaining significant influence over one of its investments during Fiscal 2021.

Amounts receivable increased by $53,001,914 or 22292%, this large increase in accounts receivable was due to two factors, the first was the increase in revenues during the year as receivables increased as a function of the increased testing in the year. The second large factor was the transition from cash pay testing to primarily receiving reimbursements from insurance

companies and government programs. The accounts receivable is primarily from MassLabs, however they remit payment once payment is received from the associated test.

Loans receivables decreased by $535,682 or 97%, due to the impairment of the loan receivable from Breeze Laboratory SAS Colombia in the year.

Prepaid expenses and advances decreased by $306,455 or 93%, this is primarily due to the usage of the prepaid leases from the prior fiscal year.

Non-current assets

Private investments at fair value through profit and loss decreased by $3,162,369 or 100% as the Company gained significant influence over its investment in Amino Therapeutics, when David Preiner became CEO. This investment is now classified as an Investment in Associates.

Investments in Associates as the Company gained significant influence over its investment in Amino Therapeutics, when David Preiner became CEO, as well as Sulliden Mining.

Property and equipment decreased by $73,747 or 11%. This is driven by the depreciation for $89,868 and effects of foreign exchange of $26,561, offset by the purchases of $42,682.

Right-of-use decreased by $7,877,826 or 100%, due to depreciation and the termination of all outstanding leases during Fiscal 2021.

Intangibles decreased by $387,562 or 100%, this is driven by amortization and impairment of intangible assets due to the termination of the supplier relationship and the intellectual property's agency rights being terminated, offset by additions resulting from the acquisition of intellectual property rights through Noble Bioscience Corp., Healthcare Application from Myosin and Marbella Pharmacy.

Liabilities

Current liabilities

Accounts payable and accrued liabilities increased by $26,523,731 or 397%, primarily due to an increase in operation in Fiscal 2021 compared to the prior fiscal year as well as profit sharing accrued as of the end of the fiscal year for approximately $24,900,000 and an accrued legal judgment of $3,050,264 as noted above that is a provision related to an award issued against the Company.

Income taxes payable increased by $6,456,489 or 100%, primarily due to taxable income in its US subsidiaries in Fiscal 2021.

Loan payable decreased by $12,583,980 or 94%, primarily due to the repayment of certain loans and settlement of loans with the issuance of shares. This was offset by loans proceeds of $2,060,031 received in Fiscal 2021.

Lease liabilities decreased by $6,775,229 or 100%, primarily due to the repayment of certain leases and the termination of the outstanding leases in Fiscal 2021.

Other liabilities decreased by $2,244,939 or 99%, primarily due to the forgiveness of the commitment owed towards the Amino investment and the settlement of some liability with the issuance of shares.

Non-current liabilities

Convertible notes increased by $965,432 or 100%, primarily due to the issuance of convertible notes in Fiscal 2021.

Shareholders' equity

Shareholder's equity increased by $27,822,667 due to an increase of $26,011,889 related to the issuance of shares, $7,472,223 resulting from an increase to the share-based payment reserve, $255,424 from the equity component of the convertible note issued, gain of $194,162 related to the translation of foreign operations, and a net loss of $6,610,525 for the year ended December 31, 2021.

LIQUIDITY, CAPITAL RESOURCES AND FINANCING

The general objectives of our capital management strategy are to preserve our capacity to continue operating, provide benefits to our stakeholders and provide an adequate return on investment to our shareholders by continuing to invest in our future that is commensurate with the level of operating risk we assume. We determine the total amount of capital required consistent with risk levels. This capital structure is adjusted on a timely basis depending on changes in the economic environment and risks of the underlying assets. We are not subject to any externally imposed capital requirements.

The financial statements and this MD&A have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations.

As at December 31, 2021, the Company had cash of $112,397 representing a decrease of $739,012 from December 31, 2020. This decrease is primarily due to $9,322,328 of cash used in operating activities, $2,469,309 of cash used in investing activities, offset by $11,052,624 of cash provided by financing activities.

As at December 31, 2021 the Company had net current assets of $15,335,802 available to fund current operations and are currently operating with a positive earnings from operations in order to fund future company needs. The net current assets are currently primarily receivables from MassLabs billed on behalf of the Company. These are primarily made up of insurance companies and government programs. As the pivot in strategy to Increased Patient Access Program.for the patients occurred in May 2021 the Company expected to have a cash loss from operations as there was an expected increase in receivables. Moving forward the Company expects to have cash provided by operations to meet planned growth or fund development activities. The Company is also well prepared to deal with any potential decrease in testing volumes as the leases for sites are short term in nature and as outlined above many of the cost of sales are based on a fee per services and the Company does not carry significant inventory. The Company has also demonstrated an ability to raise capital if needed through private placements as well as debt financing. The Company's current shareholders' equity as at December 31, 2021 was $26,856,765, an increase from the deficiency of $10,014,002 from the prior year.

Cash flows for the year ended December 2021 and 2020

	For the year ended December 31,	
	2021	2020
	$	$
Net cash provided by (used in)		
Cash used in operating activities	(9,322,326)	(10,978,335)
Cash used in investing activities	(626,316)	(5,486,900)
Cash provided by financing activities	9,209,630	17,315,668
Net cash increase (decrease) during the year	(739,012)	850,433

Cash Flows Used in Operating Activities

Cash flows used in operating activities for the year ended December 31, 2021, were $9,322,328 compared to cash flows used in operating activities of $10,978,335 for the year ended December 31, 2020. The cash used in operating activities in the current fiscal year is primarily due to the cash flow used by accounts receivable in the current year, offset by the cash flow provided by accounts payable. This is a function of the timeline of billing to government programs and insurance claims as these amounts are not receivable until MassLabs receives the underlying receivable.

Cash Flows used in Investing Activities

Cash flows used in investing activities for the year ended December 31, 2021, were $626,316 compared to cash flows used in investing activities of $5,486,900 for the year ended December 31, 2020. The reduction in cash used in investing activities is driven primarily by the fact that the Company invested $3,159,507 in public and private investments in fiscal 2020 as opposed to only $418,358 in fiscal 2021.

Cash Flows Provided by Financing Activities

Cash flows provided by financing activities for the year ended December 31, 2021, were $9,209,630 compared to cash provided by financing activities of $17,315,668 for the year ended December 31, 2020. In Fiscal 2020, the Company raised $4,688,930 from private placements and $14,489,738 from loans and made loan and interest payments of $2,008,000. In comparison, in fiscal 2021, the Company raised $17,048,504 from private placements, $2,060,031 from loans, $1,185,000 from the issuance of a convertible note, $759,088 from the exercise of its options and warrants, which was offset by a $10,000,000 loan and interest

payment. As such, the primary reason for the reduction in cash flows provided by financing activities was a significant increase in loan and interest payment in fiscal 2021.

CONTRACTUAL OBLIGATIONS

The Company has no significant contractual arrangements other than those noted in its financial statements.

The Company is obligated to the following contractual maturities of undiscounted cash flows as at December 31, 2021:

Contractual Obligations	Total	Less than 1 year	1 - 3 years	4 - 5 years	After 5 years
Convertible note	$ 1,200,000	$ -	$ 1,200,000	$ -	$ -
Lease obligations	68,461	68,461	-	-	-
Accounts payable	33,198,613	33,198,613	-	-	-
Income taxes payable	6,456,489	6,456,489			
Loans payable	850,383	850,383	-	-	-
Other liabilities	15,835	15,835	-	-	-
	$ 41,789,781	$ 40,589,781	$ 1,200,000	$ -	$ -

The total expense related to variable rent and short term leases was $1,030,487 for the year ended December 31, 2021 (2020 - $137,056), and is recorded in facility costs in the consolidated statements of operations. The Company's leases for the year ended December 31, 2021 are primarily short-term leases for its mobile collection sites.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements other than those noted in its financial statements.

TRANSACTIONS WITH RELATED PARTIES

During the years ended December 31, 2021 and 2020 the Company entered into the following transactions in the ordinary course of business with related parties from an accounting perspective that are not subsidiaries of the Company.

	Purchase of goods and services Years ended December 31,	
	2021	2020
Forbes & Manhattan, Inc.	**$ 300,000**	$ 300,000
2227929 Ontario Inc.	**$ 360,000**	$ 360,000
Massachusetts Laboratories, Inc.	**$ 26,783,556**	$ -

Mr. Stan Bharti is the Executive Chairman of Forbes and Manhattan Inc. ("Forbes"). The Company is part of the Forbes Group of Companies and continues to receive the benefits of such membership, including access to various professionals, and strategic advice from the Forbes Board of Advisors. An administration fee of $25,000 per month from May 2019 was charged by Forbes pursuant to a consulting agreement. From April 2019 through April 2020, Mr. Bharti served as President, CEO, and director of the Company. As a result, amounts paid to Forbes from April 1, 2019 to April 30, 2020 are included as part of compensation of key management, directors and officers. As at December 31, 2021, receivables included $125,000 (December 31, 2020 $125,000) owing from Forbes, and payables included $28,500 (December 31, 2020: Nil) owing to Mr. Stan Bharti. These receivables and payables are unsecured, non-interest bearing and due on demand.

The Company shares office space with other corporations who may have common officers and directors. The costs associated with the use of this space, including the provision of office equipment, supplies, and certain other services are administered by 2227929 Ontario Inc., to whom the Company pays a monthly fee. For the year ended December 31, 2021, the Company was charged $360,000 or these services (2020: $360,000). Fred Leigh, a former director of the Company, is a director of 2227929 Ontario Inc. As at December 31, 2021, payables included $536,342 (December 31, 2020: $95,642) owing to 2227929 Ontario Inc. These payables are unsecured, non-interest bearing and due on demand.

The Chief Executive Officer of the Company, David Preiner, is also the CEO of Xenomics, Inc. ("Xenomics"), parent company to Amino in which the Company holds a 10% investment. The Company's investment in Amino pre-dated the appointment of David Preiner as CEO of the Company. Xenomics is also a parent company to Massachusetts Laboratories, Inc. ("Mass Labs")

which performs COVID-19 test processing services and medical billing services on behalf of the Company. Mass Labs provided COVID-19 test processing services and medical billing services to the Company prior to the appointment of Mr. Preiner as CEO of the Company.

On December 7, 2020, the Company signed a COVID-19 Testing Agreement with Mass Labs. On April 30, 2021, the principal of Mass Labs, David Preiner, became the Chief Executive Officer of Medivolve Inc. Mass Labs has subcontracted its laboratory testing services contract to an independent third party. For the year ended December 31, 2021, the Company was charged USD$21,367,017 ($26,783,556) for these services (2020- $nil), which were recorded as cost of sales on the consolidated statements of operations. As at December 31, 2021, USD $43,934,437 ($55,700,079) (2020 - nil) is owed from Mass Labs and included in Accounts receivable on the consolidated statement of financial position. As at December 31, 2021, USD$15,215,047 ($19,289,637) (2020 – $nil) is owed to Mass Labs and included in Accounts payable and accrued liabilities on the consolidated statement of financial position.

At December 31, 2021, the Company had an amount receivable of $10,706 from Aberdeen International Inc. (December 31, 2020: $10,706). The receivable is unsecured, non-interest bearing and due on demand. Additionally, as at December 31, 2021, the Company has a loan payable to Aberdeen of $266,880 (2020 - $508,384). Stan Bharti, a former director and officer of the Company, is a director and officer of Aberdeen. Wen Ye is a common director of both the Company and Aberdeen.

Compensation of Key Management, Directors and Officers

The remuneration of directors and other members of key management personnel during the years ended December 31, 2021 and 2020 were as follows:

	Years ended December 31,	
	2021	2020
Short-term benefits	**$ 661,970**	$ 562,730
Share-based payments	**$ 1,608,765**	$ 595,559

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company.

During the year ended December 31, 2021, the Company granted a total of 17,250,000 stock options to key management, directors, and officers of the Company (2020: 4,357,500 options to management, directors and officers of the Company).

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

FINANCIAL RISK MANAGEMENT

Credit risk

Financial instruments that potentially subject the Issuer to concentrations of credit risk consist primarily of cash and accounts receivable. The Company maintains cash with various major financial institutions. The total cash balances that exceeded the balances insured by the Federal Deposit Insurance Commission, were approximately $112,397 and $851,409 at December 31, 2021, and 2020, respectively.

Financial instruments that potentially subject the Issuer to concentrations of credit risk consist primarily of cash and accounts receivable. The Company maintains cash with various major financial institutions. The total cash balances that exceeded the balances insured by the Federal Deposit Insurance Commission, were approximately $112,397 and $851,409 at December 31, 2021, and 2020, respectively.

Substantially all of the Company's amounts receivable are with our contracted billing company. These are noted as testing receivables. The underlying collectability of these receivables are primarily from insurance companies and applicable government programs. During May 2021, the Company increased the number of insurance carriers and government payors available for patients to rely on as part of an internal initiative referred to as the Increased Patient Access Program. As such the Company's trade receivable balances significantly increased as these tests were billed to insurance companies and government payors.

The Company will write off balances when an insurance company short pays a balance as there are no additional means to collect the balance, or when there is a balance not collectible from applicable government payors due to not having the

appropriate documentation or if a patient fails to meet the eligibility requirements for a specific program. The Company does not consider aging of receivables that is less than twelve months when estimating its expected credit losses as the Company takes all commercial efforts validating and collecting funds. Due to the. unique requirements of private insurance carriers and due to the multi-step processes of most government payors, delays in collecting receivables can occur at times when processing a high volume of claims is required during peak periods, Delays in the billing process does not mean a patient does not have insurance coverage or that a patient does not meet the eligibility requirements for the Company to be reimbursed. However, these complexities may lead to aged accounts receivable, this aging does not impact the expected collectability of these balances. The Company does not have any significant accounts receivable aged in excess of twelve months.

The Company incurs bad debt through short payments from insurance companies, as well as in instances when appropriate documentation is not submitted to insurance companies or applicable government programs. During the fiscal year 2021, the short pay amounts from insurance companies decreased due to a revision of pricing billed to insurance companies leading to higher recovery rates. Based on historic information under the new Increased Patient Access Program, the Company expects to incur bad debt of approximately 5.52% of its estimated receivables to insurance providers and 2.00% of its estimated receivables to government payors as at December 31, 2021. As at December 31, 2020 the Company expected credit losses of approximately 17.97% on its insurance receivables. To the extent that any individual payers are identified that have deteriorated in credit quality, the Company removes the customers from their respective pools and establishes allowances based on the individual risk characteristics of such customers.

Expected credit losses as at December 31, 2021 are $1,517,113 (2020 - $191,709). The increase in expected credit losses from the prior year is due to the change to the Increased Patient Access Program testing model, which has led to larger receivable balances.

During the year ended December 31, 2021, the Company wrote off bad accounts of $383,239 (2020 - $1,093,071).

The Company's testing receivables are all located in the United States for the years ended December 31, 2021 and 2020.

There are only a few major underlying customers of the Company, due to this the Company's credit risk is concentrated with these few major insurance companies and government programs. If one of the major insurance companies or government programs were to have an increase in credit risk, this could have a significant risk to the Company.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital markets is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. In addition, some of the investments the Company holds are lightly traded public corporations or not publicly traded and may not be easily liquidated.

The Company has financed its cash requirements primarily through its gross profit from Collection Sites. The Company controls liquidity risk through management of working capital, cash flows and the availability and sourcing of financing.

The Company anticipates that its current cash, together with the cash flow that is generated from operations will be sufficient to execute its current business plan for 2022.

The following table shows the Company's sources of liquidity by asset as at December 31, 2021 and 2020:

December 31, 2021	Total	Less than 1 year	1-3 years	More than 3 years
Cash and cash equivalents	$ 112,397	$ 112,397	$ -	$ -
Inventory	388,631	388,631	-	
Loans receivable	609,097	609,097	-	-
Accounts receivable	55,314,642	55,314,642	-	-
Prepaid expenses	24,227	24,227	-	-
Public investments	4,302	4,302	-	-
Total assets - December 31, 2021	$ 56,453,296	$ 56,453,296	$ -	$ -

December 31, 2020	Total	Less than 1 year	1-3 years	More than 3 years
Cash and cash equivalents	$ 851,409	$ 851,409	$ -	$ -
Inventory	232,786	232,786		
Note and loans receivable	548,605	239,884	308,721	-
Amounts receivable	2,312,728	2,312,728	-	-
Prepaid expenses	330,682	330,682	-	-
Public investments	403,563	403,563	-	-
Private investments	3,162,369		3,162,369	-
Total assets - December 31, 2020	$ 7,842,142	$ 4,371,052	$ 3,471,090	$ -

The Company is obligated to the following contractual maturities of undiscounted cash flows as at December 31, 2021:

Contractual Obligations	Total	Less than 1 year	1 - 3 years	4 - 5 years	After 5 years
Convertible note	$ 1,200,000	$ -	$ 1,200,000	$ -	$ -
Lease obligations	68,461	68,461	-	-	-
Accounts payable	33,198,613	33,198,613	-	-	-
Income taxes payable	6,456,489	6,456,489			
Loans payable	850,383	850,383	-	-	-
Other liabilities	15,835	15,835	-	-	-
	$ 41,789,781	$ 40,589,781	$ 1,200,000	$ -	$ -

Market risk

a) Currency risk

Currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company operates in Canada and the USA and the functional currency of the parent company is Canadian dollar while the functional currency of it US subsidiaries is the U.S. Dollar. Management believes the foreign exchange risk derived from currency conversions is negligible and therefore does not engage in hedging activities to mitigate this risk. The Company reduces its currency risk by maintaining minimal cash balances held in foreign currency.

As at December 31, 2021, the Company had the following financial assets and liabilities denominated in currencies other than the Canadian dollar:

December 31, 2021	U.S. dollars
Cash	$ 87,261
Accounts receivable	43,310,624
Advances	16,950
Loans Receivable	403,957
Accounts payable and accrued liabilities	(21,694,675)
	$ 22,124,117

December 31, 2020	U.S. dollars
Cash	$ 148,940
Advances	16,950
Loans Receivable	403,957
Accounts payable and accrued liabilities	(609,464)
Loan payable	(7,588,767)
Other liabilities	(1,566,870)
	$ (9,195,254)

Market risk

a) Currency risk

A 10% increase in the value of foreign currencies against the functional currencies in which the Company held financial instruments as of December 31, 2021 would result in an estimated increase (decrease) in income of approximately $3,075,000 (2020 - $1,211,200).

b) Interest rate risk

A 10% increase in interest rates based on the balance of cash at December 31, 2021, would result in a increase of $11,000 (2020 - $51,000) in annual interest income.

c) Price and concentration risk

The Company is exposed to market risk for unfavourable market conditions that could result in dispositions of inventory at unfavourable prices.

Fair value hierarchy

The three levels of the fair value hierarchy with respect to required disclosures about the inputs to fair value measurements are:

- Level 1- Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2- Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3- Inputs that are not based on observable market data.

The following table sets forth the Company's financial assets and liabilities measured at fair value by level within the fair value hierarchy as at December 31, 2021 and 2020:

As at December 31, 2021

	Level 1	Level 2	Level 3	Total
Public investments	$ -	$ 4,302	$ -	$ 4,302
Private investments	-	-	-	-
Total	$ -	$ 4,302	$ -	$ 4,302

As at December 31, 2020

	Level 1	Level 2	Level 3	Total
Public investments	$ 401,842	$ 1,721	$ -	$ 403,563
Private investments	-	-	3,162,369	3,162,369
Total	$ 401,842	$ 1,721	$ 3,162,369	$ 3,565,932

Level 1 Hierarchy

On May 1, 2020, the 5,740,605 common shares of Sulliden Mining Capital were released from escrow, and therefore the full value of the investment $373,139 was moved from Level 2 to Level 1 of the fair value hierarchy.

Level 2 Hierarchy

At December 31, 2021, the 172,071 common shares of Last Mile Holdings Ltd. (formerly OjO Electric Corp.) were held in escrow, and therefore the full value of the investment $4,302 has been recorded at Level 2 of the fair value hierarchy.

Level 3 Hierarchy

Within Level 3, the Company includes private company investments that are not quoted on an exchange. The key assumptions used in the valuation of these investments include (but are not limited to) the value at which a recent financing was done by the investee, company-specific information, trends in general market conditions and the share performance of comparable publicly traded companies.

As valuations of investments for which market quotations are not readily available are inherently uncertain, may fluctuate within short periods of time and are based on estimates, determination of fair value may differ materially from the values that would have resulted if a ready market existed for the investments. Such changes may have a significant impact on the Company's financial condition or operating results.

The following table presents the fair value, categorized by key valuation techniques and the unobservable inputs used within Level 3 as at December 31, 2021 and 2020:

Description	*Fair vaue*	*Valuation technique*	*Significant unobservable input(s)*	*Range of significant unobservable input(s)*
December 31, 2021				
Glenco Medical	$ -	Recoverable amount	-	-
Latin-Canada Pharma Inc.	-	Recoverable amount	-	-
Marvel Diagnostics, Inc. (Note 6)	-	Recoverable amount	-	-
	$ -			

December 31, 2020				
Amino Therapeutics Inc.	$ 3,162,367	Recent transaction	Marketability of shares	0% discount
Athletic & Health Solutions Inc.	1	Recoverable amount	-	-
Glenco Medical	-	Recoverable amount	-	-
Eco Capital Growth Corp.	1	Recoverable amount	-	-
Latin-Canada Pharma Inc.	-	Recoverable amount	-	-
	$ 3,162,369			

Amino Therapeutics Inc. ("Amino")

Management of the Company engaged an independent valuation firm to prepare a valuation of the Company's investment in Amino as at December 31, 2020. The valuation firm prepared the valuation based on the recent financing of Amino shares and Black- Scholes method to value the underlying warrants. The only significant observable input used in this valuation is the estimated share price of Amino. As at December 31, 2020, a, 5% increase/decrease in the Amino share price would result in an increase/decrease in the fair value estimate of Amino of approximately $290,000. During the year ended December 31, 2021, Amino became an associate (See Note 7).

Marvel Diagnostics, Inc. ("Marvel")

On January 24, 2021, the Company completed a share purchase agreement to acquire up to 40% of Marvel Diagnostics, Inc. ("Marvel"), for an aggregate price of up to USD$1.0 million through a series of milestone-based payments. The Company fully impaired the investment as the technology in Marvel was determined not to be commercially viable

Athletic and Health Solutions Inc. ("A&H")

The Company invested in A&H for 6 million shares of the Company in April 2020 with an estimated fair value of $3,000,000. The Company wrote down the fair value of the investment at December 31, 2020 to reflect the sale of A&H to an arm's-length company for $1 subsequent to the year-end.

Glenco Medical ("Glenco")

The Company invested in Glenco for 12 million shares of the Company in June 2020 with an estimated fair value of $2,220,000. On December 31, 2020 the Company had written down the investment in Glenco due to managements expectations of future activity. Should market conditions improve and the fair value of investments increase, the asset will be written up at that time.

Eco Capital Growth Corp. ("Eco")

The Company invested in Eco for 8 million shares of the Company in March 2020 with an estimated fair value at $1,240,000. The Company has written down the fair value of the investment at December 31, 2020 to reflect the sale of Eco to an arm's-length Company for $1 subsequent to the year-end.

Latin-Canada Pharma Inc. ("LCP")

The Company invested in LCP for 12 million shares of the Company in July 2020 with an estimated fair value of $2,040,000. On December 31, 2020 the Company had written down the investment in LCP due to managements expectation of future activity. Should market conditions improve and the fair value of investments increase, the asset will be written up at that time.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Refer to the financial statements, for a full discussion of our critical accounting policies and estimates.

OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares, without par value.

The Company's outstanding capital was as follows as at the date of this MD&A:

Common shares	405,238,861
Share options	38,067,500
Warrants	204,879,828

SUBSEQUENT EVENTS

Subsequent to December 31, 2021, it was announced that Health Resources & Services Administration (“HRSA”), who is one of the major underlying customers of the Company would cease accepting claims effective March 23, 2022. The Company is exploring other alternative government programs and additional alternative payment methods to maintain the existing Increased Patient Access Program. There is a risk that the Company will not be able to maintain the existing program through other government programs or alternative payment methods.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Chief Executive Officer and Chief Financial Officer have designed or caused to be designed under their supervision, disclosure controls and procedures which provide reasonable assurance that material information regarding the Company is accumulated and communicated to the Company’s management, including its Chief Executive Officer and Chief Financial Officer, in a timely manner.

In addition, the Chief Executive Officer and Chief Financial Officer have designed or caused it to be designed under their supervision internal controls over financial reporting (“ICFR”) to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. The Chief Executive Officer and Chief Financial Officer have been advised that the control framework the Chief Executive Officer and the Chief Financial Officer used to design the Company’s ICFR uses the framework and criteria established in the Internal Control - Integrated Framework (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission.

The Chief Executive Officer and the Chief Financial Officer have evaluated, or caused to be evaluated under their supervision, whether or not there were changes to its ICFR during the year ended December 31, 2021, that have materially affected or are reasonably likely to materially affect the Company’s ICFR. No such changes were identified through their evaluation.

A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that its objectives are met. Due to inherent limitations in all such systems, no evaluations of controls can provide absolute assurance that all control issues, if any, within a company have been detected. Accordingly, our disclosure controls and procedures and our internal controls over financial reporting are effective in providing reasonable, not absolute, assurance that the objectives of our control systems have been met.