

KDA

ANNUAL GENERAL MEETING
TO BE HELD ON FEBRUARY 20, 2025

NOTICE OF ANNUAL GENERAL MEETING
AND
MANAGEMENT INFORMATION CIRCULAR

JANUARY 22, 2025

KDA GROUP INC.

NOTICE OF AN ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general meeting of shareholders (the “Meeting”) of KDA GROUP INC. (the “Corporation”) will be held on Thursday, February 20, 2025, at 10:30 a.m. (Eastern Standard Time – Québec time) at Le Michelangelo located at 3111 Chemin Saint-Louis, Québec, Québec, G1W 1R6, and at any adjournment or postponement thereof, for the following purposes:

1. To receive the financial statements of the Corporation for the year ended July 31, 2024 and the auditor’s report;
2. To elect directors of the Corporation;
3. To appoint the auditor and authorize the Board of Directors to set their compensation; and
4. To transact such other business as may properly come before the Meeting.

Only those holders of Class A shares of the Corporation who are registered holders as at the close of business on January 16, 2025 may exercise, in person or by proxy, their voting rights in accordance with the rights attached to their shares.

The accompanying Management Information Circular provides detailed information on matters to be dealt with at the Meeting and is hereby deemed to be an integral part of this Notice of Meeting.

Thetford Mines, Québec, January 22, 2025.

BY ORDER OF THE BOARD OF DIRECTORS

(s) *Marc Lemieux*

Marc Lemieux, Chief Executive Officer

Shareholders eligible to vote but unable to attend in person are requested to complete, sign and forthwith return the enclosed form of proxy in the envelope provided for that purpose. A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is deposited with Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, transfer agent of the Corporation, not later than 5:00 p.m. (Eastern Daylight Time) two business days preceding the Meeting or any adjournment thereof. Also, the proxy can be received by the Chairman or Secretary of the Meeting at the time and place of the Meeting or any adjournment thereof, prior to the commencement thereof. Any question regarding proxies may be addressed to Computershare Investor Services Inc. at 1-800-564-6253, Shareholders Services.

KDA GROUP INC.
(the “Corporation”)

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This Management Information Circular (the “Circular”) is provided with regard to the solicitation of proxies by the management of the Corporation in connection with the Annual General Meeting of shareholders of the Corporation (the “Shareholders”) to be held on Thursday, February 20, 2025, at 10:30 a.m. (Eastern Standard Time – Québec time) at Le Michelangelo located at 3111 Chemin Saint-Louis, Québec, Québec, G1W 1R6, and for the purposes set forth in the attached Notice of Meeting and at any adjournment or postponement thereof (the “Meeting”). The solicitation of proxies will be done primarily by mail but may be supplemented by telephone or other personal contact by directors of the Corporation, such directors receiving no compensation therefore. The cost of solicitation of proxies will be borne by the Corporation. Unless otherwise indicated, the information contained herein is given as of Wednesday, January 22, 2025.

APPOINTMENT OF PROXIES

The persons designated in the enclosed form of proxy are directors of the Corporation. **Each Shareholder has the right to appoint a person to represent such Shareholder at the Meeting, other than the persons designated in the enclosed form of proxy.** A Shareholder desiring to appoint some other person to represent such Shareholder at the Meeting may do so by inserting the name of such other person in the blank space provided in the enclosed form of proxy or by submitting another appropriate form of proxy. A person acting as proxy need not be a Shareholder of the Corporation.

In order to be valid for the Meeting or any adjournment thereof, a form of proxy must be deposited with Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, transfer agent of the Corporation, not later than 5:00 p.m. (Eastern Daylight Time) two business days preceding the Meeting or any adjournment thereof. In addition, a form of proxy can be handed to the Chairman or Secretary of the Meeting at the time and place of the Meeting or any adjournment thereof, prior to the commencement thereof. Any question regarding proxies may be addressed to Computershare Investor Services Inc. by telephone at 1-800-564-6253, Shareholders Services or by e-mail at service@computershare.com.

REVOCATION OF PROXIES

A Shareholder giving a proxy has the power to revoke it as to any matter on which a vote has not already been cast pursuant to the authority conferred by such proxy and may do so either: (i) by delivering another properly executed proxy bearing a later date to Computershare Investor Services Inc. at the above-mentioned address not later than 5:00 p.m. (Eastern Daylight Time) two business days preceding the Meeting or any adjournment thereof, or to the Chairman or Secretary of the Meeting at the day of the Meeting before the Meeting or any adjournment thereof; or (ii) by depositing, either with Computershare Investor Services Inc. at the above-mentioned address not later than 5:00 p.m. (Eastern Daylight Time) two business days preceding the Meeting or any adjournment thereof, or with the Chairman or Secretary of the Meeting at the day of the Meeting, or any adjournment thereof, an instrument in writing revoking the proxy and executed by the Shareholder or by his attorney authorized in writing. If the Shareholder is a corporation, this instrument must

be executed by a duly authorized officer under its corporate seal and accompanied by a corporate resolution authorizing the signature.

VOTING OF SHARES REPRESENTED BY PROXIES

If the enclosed form of proxy is properly completed and submitted in favour of a proxyholder, the shares represented by the form of proxy will be voted on any ballot that may be called for by the proxyholder designated in the form of proxy in accordance with the directions of the Shareholder. **If no instructions are given, the voting rights attached to the Class A shares of the Corporation** (the “**Class A Shares**” or the “**Common Shares**”) **will be exercised by the proxyholder who is a director of the Corporation in FAVOUR of / FOR the adoption of the resolutions mentioned in the Notice of Meeting. If no instructions are given, any other proxyholder (other than the proxyholder who is a director of the Corporation designated in the printed portion of the form) will have discretionary authority when exercising the voting rights attached to the Common Shares concerning these matters.**

The enclosed form of proxy confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to matters other than those identified in the Notice of Meeting which may properly be brought before the Meeting. As of the date hereof, the management of the Corporation is not aware that any such amendments, variations, or other matters are to be presented for action at the Meeting. **If any matter that are presently not known to the management of the Corporation should properly be brought before the Meeting, then on any ballot that may be called for, the persons designated in the enclosed form of proxy will exercise the voting rights attached to the Common Shares in accordance with their discretionary authority on such matter.**

VOTING BY NON-REGISTERED SHAREHOLDERS

The information set forth in this section is of significant importance to holders of Common Shares who do not hold their shares in their own names.

Only registered holders of Common Shares of the Corporation, or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. However, in many cases, Common Shares of the Corporation beneficially owned by a holder (a “**Non-Registered Shareholder**”) are registered either:

- (A) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Shareholder deals with in respect of the Common Shares, such as, among others, banks, trust companies, securities dealers or brokers and directors or administrators of self-administered registered retirement savings plans, registered retirement income funds and registered educational savings plans and similar plans; or
- (B) in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant.

In accordance with the *National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) adopted by the Canadian Securities Administrators, the Corporation has distributed copies of the Notice of Meeting, this Circular, the form of proxy, the Corporation's 2024 financial statements and management discussion and analysis (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Shareholders.

Intermediaries are required to forward Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will either:

- (A) be given a proxy which has already been signed by the Intermediary (typically by facsimile, stamped signature) which is restricted as to the number of shares beneficially owned by the Non-Registered Shareholder but which is otherwise uncompleted. The Non-Registered Shareholder need not sign this form of proxy. In this case, the Non-Registered Shareholder who wishes to submit a proxy shall properly complete the form of proxy and deposit it with Computershare Investor Services Inc. as described above; or
- (B) more typically, be given a voting instruction form that must be completed and signed by the Non-Registered Shareholder in accordance with the instructions on the voting instruction form (which may in some cases permit the completion of the voting form by telephone or by internet).

The voting rights attached to the shares held through brokers, agents or nominees should be exercised to vote for or against the proposed resolutions only in accordance with the instructions from the Non-Registered Shareholder. In the absence of express instructions, the brokers, their agents and nominees are not authorized to exercise the voting rights attached to the Common Shares of the clients of the brokers. The purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the shares they beneficially own. Should a Non-Registered Shareholder who receives either a form of proxy, a proxy or a voting instruction form wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the names of the persons designated in the proxy and insert the Non-Registered Shareholder's name (or the name of the other person) in the blank space provided or, in the case of a voting instructions form, in accordance with the relevant directions of such form. **In either case, Non-Registered Shareholders should carefully follow the instructions of their Intermediaries or their service companies and ensure that their instructions on how to exercise the voting rights attached to their Common Shares be sent to the appropriate person.**

A Non-Registered Shareholder who has filed a proxy can revoke it by contacting the Intermediary who is holding the Common Shares of the Non-Registered Shareholder and by following the instructions of the Intermediary concerning the revocation of proxies.

QUORUM FOR THE TRANSACTION OF BUSINESS

The Corporation's by-law provides that the quorum at a meeting of the Shareholders of the Corporation shall be constituted by the attendance of at least two Shareholders, present in person or represented by proxy, holding at least 10% of the issued and outstanding shares of the Corporation carrying the right to vote at the Meeting.

RECORD DATE

The board of directors of the Corporation (the "**Board of Directors**") has set January 16, 2025 as the record date for the Meeting. Only Shareholders of record as at that date are entitled to receive Notice of the Meeting and to vote at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS

The authorized share capital of the Corporation consists of an unlimited number of Class A Shares without par value and an unlimited number of Preferred shares issuable in series. On January 22, 2025, the Corporation had 184,699,280 Common Shares issued and outstanding. Each issued and outstanding Common Share is entitled to one vote at any meeting of Shareholders. The Common Shares are the only shares carrying the right to vote at the Meeting.

To the knowledge of the management of the Corporation, at the date hereof, no person holds, directly or indirectly, or exercises control or direction over shares carrying more than 10% of the voting rights attached to all shares of the Corporation.

MATTERS FOR CONSIDERATION AT THE MEETING

PRESENTATION OF FINANCIAL STATEMENTS

The audited consolidated financial statements of the Corporation for the year ended July 31, 2024 and the auditor's report thereon have been mailed to Shareholders who asked to receive these documents and will be presented to the Shareholders at the Meeting but no vote is required on this matter.

The Corporation's audited consolidated financial statements, auditor's report and management discussion and analysis for the financial years ended July 31, 2024 may also be accessed through the internet on the Canadian System for Electronic Document Analysis and Retrieval Plus ("SEDAR+") at www.sedarplus.ca or copies may be obtained without charge upon request to the Corporation at 1351, rue Notre-Dame Est, Suite 300, Thetford Mines, Québec, G6G 0G5. You may also access the Corporation's audited financial statements, auditor's report and management discussion and analysis for the financial years ended July 31, 2024 through the Corporation's website at www.groupkda.com.

ELECTION OF DIRECTORS

The Board of Directors of the Corporation is presently composed of four members. At the Meeting, the Shareholders will be required to elect five directors. **The persons designated in the enclosed form of proxy intend to vote for the election, as directors of the Corporation, of the nominees whose names are set forth below (the "Nominees"); these persons are members of the Board of Directors since the dates indicated herein.** Management does not contemplate that any Nominee will be unable or unwilling to serve as a director, but if that should occur for any reason prior to the Meeting, the persons designated in the enclosed form of proxy reserve the right to vote for another nominee in their discretion, unless otherwise instructed in the proxy. Each director elected will hold office until the next annual meeting or until a successor is duly elected or appointed, unless his office is earlier vacated in accordance with the by-law of the Corporation.

The following table sets forth for each person proposed to be nominated for election by the management of the Corporation as a director of the Corporation, their name, their province of residence, their present occupation, business or employment, the date of their election or appointment as director of the Corporation and the committee(s) of the Board of Directors on which they serve. The table also indicates the number of Common Shares beneficially owned, directly or indirectly, or controlled or directed by the proposed person as of January 22, 2025.

<i>Name, jurisdiction of residence and position</i>	<i>Principal occupation</i>	<i>Director since</i>	<i>Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed ⁽¹⁾</i>
Marc Lemieux ⁽²⁾ Québec, Canada President, CEO and Chairman	President, CEO and Chairman of KDA Group Inc.	January 2015	17,127,000 ⁽³⁾

<i>Name, jurisdiction of residence and position</i>	<i>Principal occupation</i>	<i>Director since</i>	<i>Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed ⁽¹⁾</i>
Isabelle Bégin ⁽²⁾ Québec, Canada Director	General Manager of AlliancePharma Opérations Inc.	January 2015	12,312,500 ⁽³⁾
Patrick Fernet ⁽²⁾ Québec, Canada Director	Lawyer and President of Global Impact Services g.p.	January 2015	1,472,500
Michael W. Kinley Nova Scotia, Canada CFO and Director	Chartered Accountant	January 2015	188,000 ⁽⁴⁾
Jean-Marc Léveillé Québec, Canada	President of Dotemtex Inc.	-	4,272,000 ⁽⁵⁾

(1) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at January 22, 2025, based upon information either furnished to the Corporation by individual directors and/or taken from the SEDI public records. Unless otherwise indicated, such shares are held directly.

(2) Current member of the Audit Committee.

(3) Of which 6,095,000 are held indirectly through Gestions Isamar Adstock Inc. and 411,000 are held indirectly through 9224-9762 Québec Inc.

(4) Of which 181,333 are held indirectly through Winslow Associates Management & Communications Inc.

(5) Held indirectly through Fiducie Familiale Jean-Marc Léveillé 2008.

Each Nominee has provided the information pertaining to the number of Common Shares over which control or direction is exercised.

All of the Nominees whose names are hereinabove mentioned were elected directors of the Corporation at a Shareholders' meeting for which a management information circular was issued except for Jean-Marc Léveillé who is a new Nominee.

Biographical information regarding the Nominees is set out below:

Isabelle Bégin (Director) – In 2010, after practicing in the pharmaceutical industry as a sales representative for over 15 years and developing privileged relationships with pharmacist owners across the province of Québec, Mrs. Bégin decided to create a placement platform focused on practical solution for its customers. Mrs. Bégin holds a B.A.A. in business administration from the Laval University.

Patrick Fernet (Director) – Mr. Fernet is a lawyer and a graduate of the University of Montreal. He has also successfully completed the Canadian Securities Course and he is a graduate in business administration of the Cégep Jean-de-Brébeuf. Over the past 20 years he has worked as a legal consultant on business and financial matters for small cap emerging companies. Through these years he was involved and has acquired a wide experience in the legal, the accounting and the financial sector. He is also acting as director and member of the audit committee of public companies listed on the TSX Venture Exchange (the "TSXV").

Michael W. Kinley (Chief Financial Officer and Director) – Mr. Kinley received his Bachelor of Commerce degree from Mount Allison University in 1971 and his Chartered Accountant designation in Ontario in 1973. He earned his designation with KPMG, where he spent 20 years (1971-1991) the last ten as a partner. During the past twenty years Mr. Kinley has served as an officer and director for a number of public companies listed

on the TSX Exchange, the TSXV and the CSE.

Marc Lemieux (President, Chief Executive Officer and Chairman of the Board of Directors) – Mr. Lemieux played a key role in KDA's growth. Through his guidance and leveraging on his experience of more than 20 years as a distributor of medical product and representative, Mr. Lemieux has been an essential contributor to KDA's business development and finance. Mr. Lemieux holds a B.A.A. in business administration from Laval University.

Jean-Marc Léveillé – Mr. Léveillé, Fellow CRIA, is a renowned manager, entrepreneur and philanthropist. Former Chair and CEO of the Orchestre symphonique de Longueuil (until 2021) and General Manager of the Orchestre Philharmonique du Québec (2021-2023), he has been a business strategy and human resources consultant since 2023. Founder of several successful organizations, including Dotemtex and Elitis Pharma, he also held HR leadership roles at Héroux Devtek and Marine Industries. Awarded the Fellow CRIA distinction for his leadership, he is actively involved in his community, co-founding Proanima and chairing Anima-Québec. His contributions to the arts in Longueuil have earned him multiple accolades. He is recognized for his managerial expertise, leadership, and ability to rally people around shared goals.

For further information about the terms and conditions of the remuneration of directors and the remuneration received during the most recently completed financial year, please refer to the subsection *Director compensation* under the section *Compensation of Executive Officers and Directors* of this Circular.

To the knowledge of the Corporation, no director of the Corporation is, as of the date of this Circular, or has been, in the 10 years prior to the date of this Circular, a director or an executive officer of any other corporation, that while the director was acting in that capacity, (i) was the subject of a cease trade or similar order or an order that denied it access to any exemption under securities legislation for a period of more than 30 consecutive days, or (ii) after the director ceased to act in that capacity, was the subject of a cease trade or similar order or an order that denied it access to any exemption under securities legislation for a period of more than 30 consecutive days because of an event which occurred while the director was acting in that capacity, or (iii) that while the director was in that capacity or in the year after the director ceased to act in that capacity, became bankrupt, made a proposal under any bankruptcy or insolvency legislation, was subject to any proceedings, arrangement or compromise with creditors or instituted any proceedings against the same, or had a receiver, receiver-manager or trustee in bankruptcy appointed to hold its assets.

In addition, to the knowledge of the Corporation, no director of the Corporation has, in the 10 years prior to the date of this Circular, become bankrupt, made a proposal under any bankruptcy or insolvency legislation, been subject to any proceedings, arrangement or compromise with creditors or instituted any proceedings against the same, or had a receiver, receiver-manger or trustee in bankruptcy appointed to hold its assets.

The following directors of the Corporation hold directorships in other reporting issuers as set out below:

<i>Name</i>	<i>Name of Reporting Issuer</i>	<i>Name of Exchange or Market (if applicable)</i>	<i>Position</i>	<i>From</i>	<i>To</i>
Patrick Fernet	Opus One Gold Corporation	TSXV	Director	05-2002	Now
	VVC Exploration Corporation	TSXV	Director	05-2004	Now
Michael W. Kinley	Canada One Mining Corp.	TSXV	Director and Officer	07-2017	Now
	Opus One Gold Corporation	TSXV	Director and Officer	02-1997	Now
	Silver Spruce Resources Inc.	TSXV	Director and Officer	03-2021	Now

The Shareholder can vote for the election of all the Nominees described above, vote for the election of some of them and withhold from voting for others, or withhold from voting for all of them. Unless otherwise instructed, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby FOR the election of each of the Nominee described above as director of the Corporation.

APPOINTMENT OF AUDITOR AND AUTHORIZATION TO THE BOARD OF DIRECTORS TO SET THE COMPENSATION OF THE AUDITOR

The Shareholders are asked to appoint Forvis Mazars, LLP ("**Forvis Mazars**"), as auditor of the Corporation for the current financial year ending July 31, 2025 (the "**Financial Year 2025**") and authorize the Board of Directors to set their compensation.

Forvis Mazars was appointed auditor of the Corporation at the annual meeting of Shareholders in June 2023 and the fiscal year ended on July 31, 2023 was the first fiscal year for which Forvis Mazars acted as auditor of the Corporation.

It is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby FOR the appointment of Forvis Mazars as auditor of the Corporation for the Financial Year 2025 and authorize the Board of Directors to set their compensation in accordance with the Audit Committee's recommendations, unless the Shareholder specifies in the form of proxy to withhold from voting.

Fees invoiced by the auditor of the Corporation for the financial years 2024, 2023 and 2022 are the following:

<i>Financial Year Ending</i>	<i>Audit Fees</i>	<i>Audit Related Fees</i>	<i>Tax Fees</i>	<i>All Other Fees</i>
July 31, 2024	\$125,000	\$0	\$25,000	\$0
July 31, 2023	\$110,000	\$4,500	\$0	\$0
July 31, 2022	\$146,150	\$0	\$0	\$0

COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS

Compensation discussion and analysis

Due to the Corporation's size, the Board of Directors has no compensation committee and has not adopted a formal compensation program. The Board of Directors meets to discuss and determine management compensation on an annual basis without reference to a formal formula.

Objectives of compensation program

The Board of Directors ensures that the total compensation paid to the executive officers is fair and reasonable, and accomplishes the following objectives:

- provide a market-competitive global compensation that will enable the Corporation to recruit, retain and motivate the executive talent necessary to be successful,
- encourage executive officers to achieve, and exceed, Corporation's goals and deliver superior performance,
- produce positive long-term results for the Corporation and the Shareholders.

Elements of compensation and purpose of payment

The executive compensation program consists of a combination of i) base salary, ii) performance bonus and iii) stock option incentives.

The base salary is intended to attract and retain executives by providing a reasonable amount of non-contingent remuneration.

The performance bonus is intended to encourage executive officers to achieve, and exceed, individual or business goals. It is also intended to reward superior performance or exceptional results.

Stock options are intended to establish a balance between short- and long-term compensation. It is also intended to align management's long-term interests with Shareholder's long-term interests and the corporate growth.

Determination of the amount of compensation

The base salary of the President, Chairman of the Board of Directors, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and Executive Vice President are determined and approved by the Board of Directors. The determination of the base salary takes into consideration the current competitive market conditions, experience, assumed responsibilities and particular skills of the executive officer. The base salary is not currently evaluated against a formal "peer group". The Board of Directors relies on the general experience of its members in setting base salary amounts. Base salaries of executive officers other than the President, Chairman of the Board of Directors, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and Executive Vice President are reviewed and determined annually by the management of the Corporation.

The performance bonus is determined annually according to criteria established by the Board of Directors. The determination of the performance bonus takes into consideration individual objectives and Corporation's objectives as well as the overall performance of the Corporation. The Board of Directors determines each year the applicable criteria to obtain a bonus according to the specific situation of the Corporation and its

activities development. The Board of Directors may waive minimum requirements for the performance bonus when it evaluates those exceptional strategic transactions that could increase the long-term value of the Corporation are realized during the year or exceptional market conditions have occurred.

Stock options are generally granted to the executive officers when they are hired and annually thereafter. Stock options are awarded by the Board of Directors which determines which executive officers are entitled to receive stock options, the number of stock options granted, the date of grant and the exercise price. The granting of stock options is determined according to level of responsibility and authority of the executive officer as well as the performance observed compared to the established objectives. The Board of Directors takes also into account the specific circumstances existing on the date of the grant and the long-term interests of the Corporation and the Shareholders. The granting of stock options shall be executed in accordance with the terms of the Corporation's stock option plan (the "**Stock Option Plan**"). For further information regarding the Stock Option Plan, refer to the heading *Stock Option Plan*.

Elements of compensation and overall objectives

The elements of compensation allow the Corporation to meet its overall compensation objectives stipulated above (see paragraph *Objectives of compensation program*). Indeed, the base salary is intended, among other things, to attract and retain talented executive officers, the performance bonus encourages executive officers to achieve Corporation's goals and offer a superior performance, and the stock options has been designed to obtain long-term positive results for the Corporation and align executive compensation increase with the increase of Shareholders' investment.

The combination of the elements of compensation has been designed also to provide a total compensation which the Board of Directors believes is competitive with what is paid by other companies of comparable size engaged in similar business.

Stock Option Plan

The purpose of the Stock Option Plan is to allow the Corporation to retain and motivate directors, senior officers, management, employees, consultants and persons conducting investor relations activities (the "**Eligible Persons**"), to allow Eligible Persons chosen by the Board of Directors to receive Options granted pursuant to the Stock Option Plan for the purpose of purchasing Common Shares as a reward for their efforts in attaining the goals of the Corporation, to allow them to purchase Common Shares of the Corporation as an investment and to encourage them to act in this manner. The Board of Directors is responsible for the administration of the Stock Option Plan.

The maximum aggregate number of Common Shares that may be issued pursuant to the Stock Option Plan is 35,079,856. Any Common Shares underlying Options that have expired without being exercised shall be subsequently available for other awards under the Stock Option Plan.

From time to time, the Board of Directors shall designate, at its discretion, the Eligible Persons, who are to be granted Options and the number of Options granted, subject to the following limitations:

- a) the aggregate number of Common Shares underlying Options that may be issued pursuant to the Stock Option Plan to one person shall not, within a period of twelve (12) months, unless disinterested Shareholder approval is obtained in connection therewith, exceed 5% of the number of issued and outstanding Common Shares of the Corporation as of the date of the grant (on an undiluted basis);
- b) the aggregate number of Common Shares underlying Options that may be issued pursuant to the Stock Option Plan in favour of any one consultant, within a period of twelve (12) months, shall not exceed 2% of

the number of issued and outstanding Common Shares of the Corporation as of the date of the grant; and

c) the aggregate number of Common Shares underlying Options that may be issued pursuant to the Stock Option Plan in favour of any person conducting investor relation activities, within a period of twelve (12) months, shall not exceed 2% of the number of issued and outstanding Common Shares of the Corporation as of the date of the grant.

Each Option and all rights thereunder will expire on the date established by the Board of Directors at the time of the granting of the particular Option, provided that such date does not extend beyond the tenth (10th) anniversary of the date of grant. Each Option will be subject to the earlier termination provisions of the Stock Option Plan (such as early retirement, resignation or termination of employment). Among other things, under the Stock Option Plan, in the event of the death of a participant, the Options previously granted to such participant will be exercisable no later than on the earlier of (i) the expiry date of the Options, or (ii) twelve (12) months following the death of such participant.

Furthermore, the Board of Directors, subject to the policies of the TSXV, may determine and impose terms upon which each Option shall become vested in respect of Options granted. Unless otherwise specified by the Board of Directors at time of granting an Option, and subject to the other limits on Option grants set out by the Board of Directors in accordance with the Stock Option Plan, all Options granted under the Stock Option Plan shall vest in stages over twenty-four (24) months with no more than 33.33% of the Options vesting in any twelve month period, except Options granted to persons conducting investor relations activities, which Options may vest in stages over twelve (12) months with no more than 25% of the Options vesting in any three (3) month period, at the sole discretion of the Board of Directors.

No consideration shall be payable with respect to the granting of an Option. The exercise price of any Option granted under the Stock Option Plan is to be determined from time to time by the Board of Directors but in any event shall not be less than the market value of the Common Shares on the TSXV (or any other exchange where the Common Shares are then traded and if they are traded on more than one exchange, on the exchange where the greater volume of Common Shares is traded), subject to a minimum exercise price of \$0.10 per Common Share.

Options may not be assigned or transferred and only the optionee or his or her personal representative may exercise an Option in the manner provided for in the Stock Option Plan.

The Stock Option Plan includes a blackout provision for periods referred to as "Blackout Periods". A Blackout Period is designed to prevent a person from trading while in possession of material information that is not yet available to other Shareholders. The TSXV recognizes these Blackout Periods might result in an unintended penalty to employees who are prohibited from exercising their Options during that period because of their corporation's internal trading policies. As a result, the TSXV provides a framework for extending Options that would otherwise expire during a Blackout Period. The Stock Option Plan includes a provision that should an Option expiration date fall within a Blackout Period, then the expiry date of such Option will be 10-business day period after the expiry of the Blackout Period.

The Stock Option Plan contains standard adjustment and anti-dilution provisions for changes in the capital structure of the Corporation. The Stock Option Plan also provides that in the event of a merger or a liquidation of the Corporation or a take-over bid, the Board of Directors may allow advanced exercise of Options subject to the limits imposed by the Stock Option Plan and the applicable rules of the TSXV.

The Board of Directors may from time to time, subject to the approval of the TSXV, amend the Stock Option Plan and the terms of any Options to be subsequently awarded and, without limiting the generality of the foregoing, may make such amendments in order to comply with changes to any laws or regulations applicable

to the Stock Option Plan, to an Option or to the Common Shares, or for any other purpose permitted by law. However, such changes shall not prejudice any rights of any optionee under any Option or alter the terms of any Options awarded prior to the amendment. The approval of the disinterested Shareholders of the Corporation is required in order to reduce the exercise price of Options granted previously to insiders.

Summary executive officer compensation table

The following table, presented in accordance with Form 51-102F6 – *Statement of Executive Compensation – Venture Issuers* (“**Form 51-102F6**”) of National Instrument 51-102, sets forth all annual and long-term compensation for services in all capacities to the Corporation for the three most recently completed financial years of the Corporation (to the extent required by Form 51-102F6) earned by each named executive officers of the Corporation (“**NEO**”). Form 51-102F6 defines NEO to mean each of the following individuals: (a) a CEO; (b) a CFO; (c) each of the three most highly compensated executive officers of the Corporation, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and (d) each individual who would be an NEO under (c) but for the fact that the individual was neither an executive officer of the Corporation or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

NEO Name and principal position	Year ⁽¹⁾	Salary/ Fee	Share-based awards	Option-based awards	Non-equity incentive plan compensation		Pension value	All other compensation	Total compensation
					Annual incentive plans	Long-term incentive plans			
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Marc Lemieux ⁽²⁾ President and CEO	2024	295,008	N/A	31,927	Nil	N/A	N/A	12,000	338,935
	2023	295,008	N/A	24,446	110,633	N/A	N/A	12,000	442,087
	2022	289,256	N/A	36,667	22,125	N/A	N/A	12,000	360,048
Michael W. Kinley ⁽³⁾ CFO	2024	36,000	N/A	25,542	N/A	N/A	N/A	N/A	61,542
	2023	12,000	N/A	19,556	N/A	N/A	N/A	N/A	31,556
	2022	12,000	N/A	29,334	N/A	N/A	N/A	N/A	41,334
Isabelle Bégin ⁽⁴⁾	2024	N/A	N/A	31,927	N/A	N/A	N/A	Nil	31,927
	2023	187,120	N/A	24,446	500,000	N/A	N/A	Nil	711,566
	2022	222,785	N/A	36,667	77,550	N/A	N/A	Nil	337,002
Luc Olivier ⁽⁵⁾	2024	24,000	N/A	N/A	N/A	N/A	N/A	N/A	24,000
	2023	234,300	N/A	N/A	N/A	N/A	N/A	N/A	234,200
	2022	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Jean-Pierre Robert ⁽⁶⁾	2024	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2023	50,000	N/A	N/A	N/A	N/A	N/A	N/A	50,000
	2022	130,000	N/A	25,667	N/A	N/A	N/A	N/A	155,667

(1) Years 2024, 2023 and 2022 refers to the financial years ended July 31, 2024, July 31, 2023 and July 31, 2022 respectively.

(2) Mr. Lemieux was appointed as President and CEO of the Corporation on September 14, 2021 following the termination of the employment of Sylvain Duvernay as CEO of the Corporation on September 14, 2021,

(3) Mr. Kinley was appointed as CFO of the Corporation on September 1, 2023.

(4) Ms. Bégin left her position as Executive Vice President of the Corporation on June 27, 2023.

(5) Mr. Olivier was appointed as CFO of the Corporation on October 17, 2022 and he left his position as CFO of the Corporation on August 31, 2023.

(6) Mr. Robert was appointed as COO of the Corporation on October 21, 2020 and he left his position as COO of the Corporation on April 27, 2022 to become a consultant of the Corporation.

Management incentive plan awards

Outstanding share-based awards and option-based awards

The following table sets forth information relative to all share-based awards and option-based awards outstanding for each NEO at the end of the most recently completed financial year:

NEO Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Marc Lemieux ⁽²⁾ President and CEO	500,000 500,000 500,000	0.10 0.15 0.18	September 22, 2028 May 6, 2027 February 18, 2026	72,500 47,500 32,500	N/A	N/A	N/A
Michael W. Kinley ⁽³⁾ CFO	400,000 400,000 100,000	0.10 0.15 0.18	September 22, 2028 May 6, 2027 February 18, 2026	58,000 38,000 6,500	N/A	N/A	N/A
Isabelle Bégin ⁽⁴⁾	500,000 500,000 300,000	0.10 0.15 0.18	September 22, 2028 May 6, 2027 February 18, 2026	72,500 47,500 19,500	N/A	N/A	N/A
Luc Olivier ⁽⁵⁾ CFO	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Jean-Pierre Robert ⁽⁶⁾	N/A	N/A	N/A	N/A	N/A	N/A	N/A

- (1) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the financial year (\$0.245 on July 31, 2024) and the exercise or base price of the option.
- (2) Mr. Lemieux was appointed as President and CEO of the Corporation on September 14, 2021 following the termination of the employment of Sylvain Duvernay as CEO of the Corporation on September 14, 2021,
- (3) Mr. Kinley was appointed as CFO of the Corporation on September 1, 2023.
- (4) Ms. Bégin left her position as Executive Vice President of the Corporation on June 27, 2023.
- (5) Mr. Olivier was appointed as CFO of the Corporation on October 17, 2022 and he left his position as CFO of the Corporation on August 31, 2023.
- (6) Mr. Robert was appointed as COO of the Corporation on October 21, 2020 and he left his position as COO of the Corporation on April 27, 2022 to become a consultant of the Corporation.

Incentive plan awards – Value vested or earned during the year

The following table presents information concerning value vested with respect to share-based awards, option-based awards and non-equity incentive plan compensation for each NEO for the most recently completed financial year:

NEO Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Marc Lemieux ⁽¹⁾ President and CEO	31,927	N/A	Nil
Michael W. Kinley ⁽²⁾ CFO	25,542	N/A	Nil
Isabelle Bégin ⁽³⁾	31,927	N/A	Nil
Luc Olivier ⁽⁴⁾	N/A	N/A	N/A
Jean-Pierre Robert ⁽⁵⁾	N/A	N/A	N/A

- (1) Mr. Lemieux was appointed as President and CEO of the Corporation on September 14, 2021 following the termination of the employment of Sylvain Duvernay as CEO of the Corporation on September 14, 2021,
- (2) Mr. Kinley was appointed as CFO of the Corporation on September 1, 2023.
- (3) Ms. Bégin left her position as Executive Vice President of the Corporation on June 27, 2023.
- (4) Mr. Olivier was appointed as CFO of the Corporation on October 17, 2022 and he left his position as CFO of the Corporation on August 31, 2023.
- (5) Mr. Robert was appointed as COO of the Corporation on October 21, 2020 and he left his position as COO of the Corporation on April 27, 2022 to become a consultant of the Corporation.

Pension plan benefits

The Corporation does not have a defined benefits pension plan nor a defined contribution pension plan.

Termination and change of control benefits

The consulting agreement of Marc Lemieux provides that if the consulting agreement is terminated at any time without cause by the Corporation, then Mr. Lemieux shall be entitled to receive at the time of termination, an amount equal to the current consulting fees Mr. Lemieux (\$295,000) would have been entitled to receive for a period of twelve (12) months payable in monthly instalments over a twelve (12) month period.

Also, the consulting agreement of Marc Lemieux provides that if the consulting agreement is terminated within sixty (60) days before or within one hundred and eighty (180) days after a Change in Control (as defined below) of the Corporation, then Mr. Lemieux shall be entitled to receive in a lump sum at the time of termination, an amount equal to the consulting fees Mr. Lemieux (\$295,000) would have been entitled to receive for a period of twelve (12) months had the Change of Control not occurred.

A Change of Control is defined as follows:

- (a) any change in the holding of the shares in the capital of the Corporation as a result of which an entity or group of entities acting jointly or in concert (whether by means of a shareholder agreement or otherwise) or entities associated or affiliated with any such entity or group within the meaning of the Canada Business Corporations Act, other than Mr. Lemieux and his respective associates becomes the owner, legal or beneficial, directly or indirectly, of fifty (50%) per cent or more of the shares in the capital of the Corporation or exercises control or direction over fifty (50%) per cent or more of the shares in the capital of the Corporation; or

- (b) a sale, lease or other disposition of all or substantially all of the property or assets of the Corporation (other than to an affiliate which assumes all of the obligations of the Corporation to Mr. Lemieux including the assumption of the consulting agreement); or
- (c) a reorganization, amalgamation or merger (or plan of arrangement in connection with any of the foregoing), not approved by the Board of Directors, other than solely involving the Corporation and one or more of its affiliates, with respect to which substantially all of the persons who were the beneficial owners of the shares in the capital of the Corporation immediately prior to such reorganization, amalgamation, merger or plan or arrangement do not, following any such event, beneficially own, directly or indirectly, more than fifty (50%) per cent of the aggregate voting power of all outstanding equity shares of the Corporation.

Director compensation

Director compensation table

The following table sets forth information with respect to all amounts of compensation provided to the directors who are not also NEO for the most recently completed financial year:

Director Name ⁽¹⁾	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Patrick Fernet	Nil	N/A	31,927	Nil	N/A	207,000 ⁽²⁾	238,927

(1) Relevant disclosure has been provided in the *Summary executive officer compensation table* section above with respect to directors who receive compensation for their services as directors and who are also NEO.

(2) In addition to the services rendered as a director, consulting fees for legal and other services rendered in the amount of \$207,000 were invoiced from Global Impact Services g.p. which Patrick Fernet is an associate.

Director's outstanding share-based awards and option-based awards

The following table sets forth information relative to all share-based awards and option-based awards outstanding to the directors who are not also NEO at the end of the most recently completed financial year:

Director Name ⁽¹⁾	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Patrick Fernet	500,000	0.10	September 22, 2028	72,500	N/A	N/A	N/A
	500,000	0.15	May 6, 2027	47,500			
	500,000	0.18	February 18, 2026	32,500			

(1) Relevant disclosure has been provided in the *Management incentive plan awards* section above with respect to outstanding awards granted to directors who are also NEO.

(2) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the financial year (\$0.245 on July 31, 2024) and the exercise or base price of the option.

Director's incentive plan awards – Value vested or earned during the year

The following table presents information concerning value vested with respect to share-based awards, option-based awards and non-equity incentive plan compensation to the directors who are not also NEO for the most recently completed financial year:

Director Name ⁽¹⁾	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Patrick Fernet	31,927	N/A	Nil

(1) Relevant disclosure has been provided in the *Management incentive plan awards* section above with respect to outstanding awards granted to directors who are also NEO.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Option Plan of the Corporation is the only compensation plan pursuant to which equity securities of the Corporation may be issued. It is described under heading *Compensation of Executive Officers and Directors / Stock Option Plan* above. The following table summarizes as of July 31, 2024 the number of Common Shares authorized for future issuance by the Stock Option Plan:

Plan category	Number of securities to be issued upon exercise of outstanding Options (#)	Weighted-average exercise price of outstanding Options (\$)	Number of securities remaining available for future issuance under Equity Compensation Plan (#)
Stock Option Plan	14,866,667	0.14	20,113,189

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Circular, none of the directors, executive officers, employees (or previous directors, executive officers or employees of the Corporation), each proposed Nominee for election as a director of the Corporation was or is indebted to the Corporation with respect to the purchase of securities of the Corporation and for any other reason pursuant to a loan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

The management of the Corporation is not aware of any material interest, direct or indirect, that any director, Nominee, officer, Shareholder of the Corporation holding, directly or indirectly, as beneficial owner, more than 10% of the outstanding Common Shares of the Corporation or any associate or affiliate of any such persons would have in any material transaction concluded since the commencement of the most recently completed financial year of the Corporation or in any proposed transaction which had or could have a material effect on the Corporation or any of its subsidiaries, other than what is disclosed in this Circular.

CORPORATE GOVERNANCE PRACTICES

National Instrument 58-101 – Disclosure of Corporate Governance Practices adopted by the Canadian Securities Administrators provides the disclosure of corporate governance practices. Such disclosure is described in Schedule “A” hereto.

OTHER BUSINESS AND MATTERS

Management is aware of no other matter to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matters which are known to the management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons identified and named therein to vote on such matters in accordance with their best judgement.

ADDITIONAL INFORMATION

The Corporation’s financial information is included in its audited consolidated financial statements and management discussion and analysis for the fiscal year ended July 31, 2024. Copies of these documents and additional information concerning the Corporation can be found on the SEDAR+ website at www.sedarplus.ca and may also be obtained upon request to the Corporation, at its head office located at: 1351 Notre-Dame Street East, Suite 300, Thetford Mines, Québec, G6G 0G5 (telephone: 418-755-0821). The Corporation may require payment of a reasonable charge if a person or a corporation who is not a Shareholder of the Corporation makes the request.

APPROVAL OF CIRCULAR

The Board of Directors of the Corporation has approved the contents of this Circular and its sending to the Shareholders.

Thetford Mines, Québec, January 22, 2025

APPROVED BY THE BOARD OF DIRECTORS

(s) Marc Lemieux

Marc Lemieux, Chief Executive Officer

SCHEDULE "A"

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Disclosure of Corporate Governance Practices

The board of directors (the "**Board**") of KDA Group Inc. (the "**Corporation**"), after having reviewed the policies, rules and guidelines (the "**Guidelines**") adopted by the TSX Venture and the Canadian securities regulators with respect to the disclosure by listed companies of their approach to corporate governance, and after having received advice from its counsel, undertook to implement the Guidelines it found appropriate having due regard for the Corporation's size and its present stage of development. The mandate, composition and responsibilities of the Board and its committee are set forth in the directors' and corporate governance manual (the "**Corporate Governance Manual**"). The Board, in accordance with the new measures adopted by Canadian securities regulators that are applicable to the Corporation, has adopted such a document. This statement of the Corporation's corporate governance practices was approved by the Corporation's Board.

Board

Composition of the Board

The Board of the Corporation is presently composed of four (4) directors, one of whom is now independent directors within the meaning of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* adopted by the Canadian Securities Administrators, since Michael W. Kinley was appointed as CFO of the Corporation on September 1, 2023. Marc Lemieux who is President and Chief Executive Officer of the Corporation and Isabelle Bégin who was an officer of the Corporation within the last three (3) years are also not considered independent directors.

The Board is of the opinion that its current size is adequate and furthers the efficiency of its deliberations, while ensuring a diversity of opinions and experience. Messrs. Lemieux and Kinley and Mrs. Bégin are the directors not independent within the meaning of the applicable securities legislation. The Corporation is of the opinion that each of its directors and each of its candidates as director is highly capable and has sound knowledge and experience of the Corporation's business and contributes in an unbiased and first-rate manner. For all the above-mentioned reasons, the Corporation believes that each and every director is eager to fulfil his obligations and assume his responsibilities in the best interests of the Corporation and of all the shareholders of the Corporation (the "**Shareholders**") and will not allow other interests for himself or a particular group of Shareholders to conflict with his duty.

The Board has concluded that even though Mr. Lemieux is President and Chief Executive Officer of the Corporation, Mr. Kinley is recently Chief Financial Officer of the Corporation and Mrs. Bégin was a member of the senior management of the Corporation, the Board's ability to act independently of management is not impaired. Moreover, the independent director can meet independently from the management of the Corporation if necessary. The Board is of the opinion that Mr. Lemieux's thorough knowledge of the health industry and of the Corporation's activities, its environment, markets and clients, as well as Mr. Kinley and Mrs. Bégin's experience benefit the other directors and enable the Board to make prompt, effective and well-informed decisions. Patrick Fernet acts as president of the Audit Committee, thus ensuring the communication between the Corporation's management and the independent director of the Board, the independent director being also a member of the Audit

Committee.

Position Descriptions

The Board has developed written position descriptions for the Chair, the Chair of the audit committee, the Chief Executive Officer and the Chief Financial Officer of the Corporation.

Ethical Business Conduct

All directors of the Corporation have the obligation to perform their duties and assume their responsibilities in the best interests of the Corporation. The Corporation expects all its directors to comply with the laws and regulations governing its conduct and further is committed to promoting integrity and maintaining the highest standard of ethical conduct in all of its activities. To that effect, and because it considers that sound corporate governance practices are essential to the Corporation's effective operations, the Corporation's Board adopted the Corporate Governance Manual. Such manual is reviewed periodically to ensure its compliance with the most recent measures adopted by applicable Canadian securities regulators and in taking into account the size of the Corporation. In addition, the Board expects all of its members to participate actively in meetings of the Board and of the committees on which they serve and attendance is duly recorded.

Role of the Board

The Board's mandate is to oversee the conduct of the Corporation's business and to supervise management, which is responsible to the Board for the day-to-day conduct of business.

The Board discharges five (5) specific responsibilities as part of its overall "stewardship responsibility". These are:

- strategic planning process: given the Corporation's size, its strategic plan is elaborated at the Board level, with the assistance of management;
- managing risk: as long as the Board directly oversees most aspects of the Corporation's business, it does not, for the time being, require the elaboration of "systems" or the creation of committees to effectively monitor and manage the principal risks of all aspects of the Corporation's business;
- appointing, training and monitoring senior management: no elaborate systems of selection, training and assessment of management are established for the time being, as these would prove too costly given the Corporation's size and its present stage of development; however, the Board closely monitors and measures management's performance against the overall strategic plan, through reports by, and regular meetings with management;
- communication policy: the Board commits to communicate effectively with its Shareholders, other dormant partners and the public in general, through statutory filings and mailings, as well as press releases; the Shareholders are also given an opportunity to make comments or suggestions at Shareholders' meetings; these comments and suggestions, when appropriate and relevant, are then factored into the Board's decisions; and
- ensuring the integrity of the Corporation's internal control and management information systems: given the reports from, and the meetings with management, the Board can effectively track and monitor the implementation of approved strategies.

Establishment of Board committees

In accordance with the Guidelines, the Board examined the possibility of setting up various committees such as an Audit Committee, a Nominating Committee, a Governance Committee or a Human Resources and Compensation Committee. It was decided that the Board would set up an Audit Committee pursuant to the requirements of the TSX Venture Exchange Policies and the National Instrument 52-110 ("**NI52-110**") of the Canadian Securities Administrators. It was also decided that the Board would perform the functions of the other above-mentioned committees for the time being and that such decision will be periodically reviewed by the Board, having due regard for the Corporation's evolution.

Audit Committee

Independence and Financial Literacy

The information provided in this section is limited in accordance with the exemption set forth in Section 6.1 of NI52-110, which exempts a venture issuer, such as the Corporation, from certain obligations relating to the composition of the Audit Committee and disclosure of information.

The Audit Committee is comprised of Patrick Fernet, director, Marc Lemieux, director and President and Chief Executive Officer, and Isabelle Bégin, director. The Board considers that one member is independent.

In addition, the Board considers that all of the members of the Audit Committee are financially literate within the meaning of NI52-110, meaning that they have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements. The Committee is chaired by Mr. Fernet.

Education and Experience of the members of the Audit Committee

Actual members of the Audit Committee as well as the candidates as members of the Board that will replace the actual members have education and experience that are relevant to the performance of their responsibilities as an audit committee member. Such education and experience (see details below) allowed them to acquire, *inter alia*, the following skills:

- a) an understanding of the accounting principles used by the Corporation to prepare its financial statements;
- b) the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
- c) experience preparing, auditing, analysing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements, or experience actively supervising one or more individuals engaged in such activities; and
- d) an understanding of internal controls and procedures for financial reporting.

Isabelle Bégin – In 2010, after practicing in the pharmaceutical industry as a sales representative for over 15 years and developing privileged relationships with pharmacist owners across the province of Québec, Mrs. Bégin decided to create a placement platform focused on practical solution for its customers. Mrs. Bégin holds a B.A.A. in business administration from the Laval University.

Patrick Fernet – Mr. Fernet is a lawyer and a graduate of the University of Montreal. He has also successfully completed the Canadian Securities Course and he is a graduate in business administration of the Cégep Jean-de-Brébeuf. Over the past 20 years he has worked as a legal consultant on business and financial matters for small cap emerging companies. Through these years he was involved and has acquired a wide experience in the legal, the accounting and the financial sector. He is also acting as director and member of the audit committee of public companies listed on the TSXV.

Marc Lemieux – Mr. Lemieux played a key role in KDA's growth. Through his guidance and leveraging on his experience of more than 20 years as a distributor of medical product and representative, Mr. Lemieux has been an essential contributor to KDA's business development and finance. Mr. Lemieux holds a B.A.A. in business administration from Laval University.

Role of the Audit Committee

The Audit Committee is responsible for helping the directors fulfil their audit duties. This committee must ensure sound communication between external auditor, financial officers, management and directors of the Corporation so that they can fulfil their respective duties. In carrying out its duties, the Audit Committee must meet with the Corporation's executives responsible for finance and its external auditor to examine issues relating to the presentation of the financial information, accounting practices, the internal accounting system and the financial controls, auditing procedures and programs. To this effect, members of the Audit Committee hold private sessions with the Corporation's external auditor at least once a year. It also oversees and evaluates the efficiency and the integrity of the internal control and management information systems. It is further responsible for reviewing the Corporation's quarterly and annual audited consolidated financial statements, as well as all other public disclosure documents containing financial information together with management and, as the case may be, the external auditor, any discrepancies between the accounting practices and any other financial matters judged appropriate before publication.

The Audit Committee is also responsible for the quality control of the auditing services provided by the Corporation's external auditor, the pre-approval of the mandate and audit fees for the non-related audit services and to ensure itself for the external auditor's independence and for making recommendations to the Board regarding the appointment of the external auditor or the renewal of their mandate.

Mandate of the Audit Committee

You will find below under "Charter of the Audit Committee" the complete text of the Audit Committee's responsibilities as provided under the Corporate Governance Manual.

Charter of the Audit Committee

On January 22, 2025, the Board has adopted a Charter of the Audit Committee disclosing the mandate and responsibilities of the Audit Committee of the Corporation. The text of the Charter of the Audit Committee reads as follows:

1. Mandate

The Committee oversees the accounting and financial reporting processes of the Corporation and audits of the financial statements.
2. Composition and meetings
 - 2.1 Membership
 - a) The Board of the Corporation appoints the members of the committee after each annual Shareholder meeting of the Corporation.
 - b) The Committee is comprised of at least three directors, a majority of which shall be independent of management.
 - c) Each member of the Committee shall be a member of the Board of the Corporation.
 - d) Two members shall constitute a quorum for any meeting of the Committee and each decision of the Committee shall be decided by a majority of votes cast at a meeting.
 - 2.2 Attendance at Meetings
 - a) The Committee may meet as frequently as required and each member of the Committee may call a meeting of the Committee if such member considers it necessary by transmitting a 24-hour notice of meeting to the other members.
 - b) The Committee may invite such other persons to its meetings, as it deems appropriate, including the external auditor of the Corporation, in order to discuss any matter that the Committee considers relevant to execute its duties.
 - c) External auditor of the Corporation may convene a meeting of the Committee as they deem necessary and notably in order to comment on and submit for approval the financial statements of the Corporation or to discuss any question pertaining to the preparation of the financial statements, in delivering a 24-hour notice of meeting to the members of the Committee.
 - d) The proceedings of all meetings will be minuted.
3. Responsibilities

The committee:

 - 3.1. shall recommend to the Board the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation.
 - 3.2. shall recommend the compensation of the external auditor.
 - 3.3. shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting.
 - 3.4. shall pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation's external auditor.
 - 3.5. shall review the Corporation's financial statements, MD&A and annual and interim earnings press releases before the Corporation publicly discloses this information.
 - 3.6. shall be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosure referred to in subsection 3.5 and must periodically assess the adequacy of those procedures.

- 3.7 shall establish procedures for: (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
- 3.8 shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation.
- 4. Authority of the committee
- 4.1 The Committee has every necessary power to execute its mandate and fulfil its responsibilities in accordance with the provisions of this Charter of the Audit Committee and the NI52-110, as amended from time to time as the case may be.
- 4.2 More particularly but without limiting the generality of paragraph 4.1 above, the Committee has the authority:
 - a) to engage independent counsel and other advisors as it determines necessary to carry out its duties and to set and pay the compensation for such counsel or advisors;
 - b) to communicate directly with any officer or employee of the Corporation and any service supplier of the Corporation, including the external proxies, in order to obtain any necessary information to carry its duties;
 - c) to require the attendance of any officer or employee of the Corporation at any meeting of the Committee.

Education Programme

The Corporation does not provide a formal orientation and education programme for new Directors for the time being. However, new Directors shall be given an opportunity to familiarize themselves with the Corporation by visiting the premises, meeting other members of the Board as well as members of management. Moreover, new Directors shall be invited to meet with the Corporation's counsel to be familiarized with their legal responsibilities.

Board's performance, Directors' compensation and Nomination of Directors

Given the size of the Corporation, the Board does not have a compensation committee comprised only of independent directors and assumes itself the role of the compensation committee. Given that the Board is comprised of one (1) independent director, the Board believes that the participation of independent directors facilitates an objective procedure for the determination of the compensation. Without convening a special meeting for this purpose, the Board shall periodically perform an assessment exercise addressing its effectiveness, with input from management. The Board has the responsibility to issue recommendations on the compensation of the directors, the Chairman of the Board, the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and the Executive Vice President.

Board remuneration is to be disclosed in all Management Information/Proxy Circular to be sent to Shareholders prior to meetings.

Each member of the Board assumes responsibility for making recommendations to the Board with respect to proposing new candidates when new directors are to be elected. Given the size of the Corporation, the Board does not have a nomination committee comprised solely of independent directors. The Board itself assumes the role of the nomination committee and an objective selection procedure is respected.

Board's relations with management

The President of the Corporation is also member of the Board, as it is the case with corporations of the Corporation's size. However, the Board strongly feels that this is not an impediment to the proper discharge of the Board's responsibilities. Furthermore, the interaction between senior management and Board members both inside and outside of Board meetings ensures that the Board is properly informed and that the Board members' experience and hindsight shall be sought and obtained when needed by management.

Evolution of Practices

The aforementioned corporate governance practices, as currently drafted, are subject to changes along with the Corporation's evolution. Therefore, the Board shall remain sensitive to corporate governance issues and shall continuously seek to set up the necessary measures, control mechanisms and structures to ensure an effective discharge of its responsibilities without creating additional overhead costs and reducing the return on Shareholders' equity. The Board shall remain committed to ensuring the long-term viability and profitability of the Corporation, as well as the well-being of its employees and of the communities in which it operates.