Cloud DX, Inc.

Management's Discussion and Analysis

For the Years Ended December 31, 2020 and 2020

BACKGROUND

This Management Discussion and Analysis ("MD&A") for Cloud DX, Inc. should be read in conjunction with the Company's audited consolidated financial statements as at and for the years ended December 31, 2020 and 2019. Except as otherwise indicated or where the context so requires, references to the "Company" or "Cloud DX" include Cloud DX, Inc. and its subsidiary Cloud Diagnostics Canada ULC. The Company prepares its annual consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") – see notes 3 and 4 of the December 31, 2020 and 2019 annual consolidated financial statements for further information. All dollar figures stated herein are expressed in US dollars ($ or USD), unless otherwise specified.

The date of this MD&A is XX, the date on which it was approved by the Board of Directors.

This MD&A contains forward-looking statements. See Forward-Looking Statements below for further information.

COMPANY OVERVIEW

Cloud DX is a Health Canada licensed, FDA registered medical device manufacturer and software developer that offers a complete "end-to-end" virtual healthcare platform called Cloud DX Connected Health. The Company has developed and cleared through regulatory agencies a family of proprietary medical devices, each of which collects multiple vital signs. Cloud DX customers purchase Connected Health in order to remotely monitor patients with serious chronic illness including chronic obstructive pulmonary disease ("COPD") and congestive heart failure ("CHF"), as well as patients recovering from surgery. Typical Cloud DX customers include large hospitals and provincial health authorities in Canada, and physician practices and hospitals in the United States.

Cloud DX is focused on offering the best possible virtual care experience. By manufacturing proprietary vital sign devices, the Company can constantly improve the patient user experience (UX), making virtual care more engaging for those who need it most. By collecting unique and accurate remote data, clinicians have more information to use in therapeutic decision making, while streamlining workflow with automated monitoring. Using advanced data science techniques, patterns are identified in patient generated data that indicate the probability of poorer health outcomes, enabling rapid intervention and saving lives. By managing the full patient-to-provider experience costs can be reduced with improved ROI for healthcare payers including Canadian provinces, territories and US insurance providers,

Principal Products and Services

Cloud DX Connected Health Kits include the proprietary Pulsewave® wrist cuff blood pressure monitor, the Cloud DX Bluetooth pulse oximeter, the Cloud DX wireless weight scale and optionally, a digital thermometer and digital wireless glucose meter from 3rd party suppliers. These devices, combined with customized tablet computers and mobile Connected Health apps, form the 'patient-facing' part of Connected Health. A secure online Clinician Portal allows medical professionals to remotely monitor the health of thousands of patients. Clinical support software detects when certain triggers are reached (for example, a drop in oxygen saturation) and generates a notification to providers. Nurses can then contact the patient by secure in-app text messaging and initiate a telemedicine video conference to confirm a remote diagnosis and intervene to improve outcomes. Cloud DX records raw bio-signals, vital sign metrics, survey answers, provider notes, images and documents in cloud-based database in HIPAA-compliant Microsoft Azure datacenters in Canada and the USA. These discrete data points become sources of large sets of unique raw data that can be analyzed using machine learning algorithms to detect patterns that may predict future health outcomes, both on a personal level and in larger populations.

Connected Health has been shown to improve patient outcomes for patients with chronic obstructive pulmonary disease (COPD) and patients recovering from surgery. Patients report feeling empowered by knowing their vital sign status, and by having the ability to connect with providers to ask questions. Cloud DX devices and software can detect changes in vital signs and symptoms early, allowing clinicians to intervene quickly and prevent more serious deteriorations that might require hospitalization, or in some cases might be fatal. The main return on investment from a Connected Health deployment includes both a more engaged patient, as well as reduced ER visits and admissions, or readmissions. For example, in Canada an average hospital admission for a COPD exacerbation costs ~$7,500, while an admission to the intensive care unit (ICU) averages ~$30,000 *(Canadian Institute for Health Information "Patient Cost Estimator", www.cihi.ca)*. In the United States, savings from Connected Health deployments include similar amounts for hospitalizations. For hospitals and providers that accept Medicare, patient satisfaction forms a component of the reimbursement for care, and low satisfaction score can result in penalties and fines. Connected Health has been seen to improve patient satisfaction with remote monitoring in published studies *("Evaluating the Use of Mobile Health Technology in Older Adults with Heart Failure", MNIR-Aging, April 2019)*.

Market

According to government statistics, in Canada 5+ million people over 35 suffer from COPD, CHF or their precursors. Meanwhile, 50+ million Americans over the age of 65 qualify for reimbursed remote patient monitoring (RPM) and chronic care management (CCM) paid for by US Medicare "CPT Codes". Cloud DX Connected Health solutions are reimbursed to the provider in the US by Medicare billing codes CPT 99453 and CPT 99454. These billing codes pay Medicare physicians approx. US$150.00 per patient per month.

The Company's registered head office is 834-20 Jay Street, Brooklyn, New York, 11201 with its Canadian headquarters at 100-72 Victoria Street South, Kitchener, Ontario, N2G 4Y9.

SIGNIFICANT HISTORICAL EVENTS

Cloud DX, Inc. was incorporated in the State of Delaware on September 11th, 2014; Cloud Diagnostics Canada ULC was incorporated under the laws of British Columbia on September 14th, 2014 by Robert Kaul, Anthony Kaul and Dr. Sonny Kohli. On September 15th, 2014 the founders of Cloud DX acquired the medical device division of Biosign Technologies Inc. ("Biosign"). The assets acquired included all intellectual property related to the Pulsewave PAD-1A wrist cuff blood pressure device, its internet platform, windows software application and hardware. All existing inventory of Pulsewave ® devices (around 12,000 units) was also acquired as was business infrastructure such as office leases, servers, desktop computers etc. Over several years prior to the asset sale Biosign had developed a new-concept medical device which non-invasively collected pulse pressure wave form signals from a peripheral artery and analyzed those signals to derive vital signs including heart rate, blood pressure and pulse rate variability. By 2014, this device had been branded the Pulsewave® wrist cuff blood pressure device and was being manufactured by Biosign. Pulsewave® was unique among medical devices because it used cloud-based algorithms for digital signal processing, making it programmable and remotely updatable. As a wrist cuff it was very easy for patients to use, compared to the typical arm cuff BP device.

The Company has, to date, pursued its capitalization in the form of unbrokered share and convertible debt subscriptions. As of the date of this report, the Company has 1,962,509 shares issued and outstanding for net book value of $14,654,165 and convertible debentures for value of $3,474,375. Any convertible debt subscriptions outstanding as at December 31, 2019 were either converted to capital in May 2020 or rolled into the spring 2020 convertible debt offering which bears interest at prime + 10% and have a maturity date of eighteen months from the date of each individual agreement. The convertible debt is automatically convertible to common shares in a qualifying transaction at a 20% discount of the price per share. A qualifying transaction is defined as a transaction pursuant to which the Company (a) merges, amalgamates, or consolidates with or into any other company or business entity in which the Company is not the surviving entity and the Company's shareholders hold less than 50% of the surviving entity, (b) sells all or substantially all of its issued and outstanding shares of Common Stock or (c) completes and initial public offering of shares of Common Stock or other going public transaction. If the convertible debenture is outstanding upon maturity the holder has a right to either convert all of the principal and accrued but unpaid interest into Common Stock at a price of $10 per share or have all principal and accrued but unpaid interest converted to Common Stock paid in full. Terms and conditions of the prior convertible debentures may be found in the Consolidated Financial Statements for the years ended December 31, 2020 and 2019.

COVID - 19

The Company has taken a number of measures to monitor and mitigate the effects of COVID-19 such as safety and health measures and securing the supply of materials that are essential to operations. Thus far, the impact on the business has been positive given the nature of the products and services that it provides. As the Company operates in the healthcare sector, there has been an increased demand for products and services as well as government interest in development of products. The Company will continue to follow the various government policies and advice and monitor the implications of COVID -19 on the Company.

NON-IFRS Financial measures

The Company's consolidated financial statements are prepared in accordance with IFRS. The financial measures that are used and defined below do not have a standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. These financial measures should not be considered as an alternative to, or more meaningful than, net income (loss), cash flow from operating activities and other measures of financial performance as determined in accordance with IFRS; however the Company believes that these measures are useful in providing relative operational profitability of the Company's business.

EBITDA

EBITDA refers to earnings before interest, depreciation & amortization and income taxes. EBITDA is a non-IFRS measure that reflects the operational profitability of the business.

Adjusted EBITDA

Adjusted EBITDA refers to earnings before interest, depreciation & amortization and income taxes adjusted for fair value related income/expenses including share based compensation. Adjusted EBITDA is a non-IFRS measure that representationally reflects the operational profitability of the business as fair value calculations of convertible debt, marketable securities and share based compensation are reflective of current market influences on past decisions.

Gross Profit and Gross Profit Margin

Gross Profit is Revenue less Cost of Sales and Gross Profit Margin is Gross Profit as a percentage of revenue. These are non-IFRS measures that provide meaningful metrics in assessing the Company's financial performance and operational efficiency.

Selected Financial Information

	Year ended December 31,			
	2020	2019	Change	
	$	$	$	%
Revenue	868,308	963,490	(95,182)	(9.9)
Cost of sales	546,589	175,718	370,871	211.1
Gross profit	321,719	787,772	(466,053)	(59.2)
Gross profit margin	37.1%	81.8%		(44.7)
Operating expenses net of depreciation, amortization and share based compensation	4,696,785	3,365,465	1,331,320	39.6
Other income and (expenses)	1,070,668	217,387	853,281	392.5
Adjusted EBITDA	(3,304,398)	(2,360,306)	(944,092)	(40.0)
Share based compensation	(258,103)	(680,708)	422,605	62.1
Fair value gain/(loss)	(70,892)	84,950	(155,842)	NMF
Gain/(loss) on marketable securities	96,961	(352,420)	449,381	NMF
EBITDA	(3,536,432)	(3,308,484)	(227,948)	6.9
Depreciation & amortization	(253,781)	(254,413)	632	0.2
Interest	(546,315)	(259,521)	(286,794)	110.5
Income taxes	-	-	-	-
Net loss	(4,336,528)	(3,822,418)	(514,110)	13.4
Foreign currency translation gain	128,738	(133,207)	261,945	NMF
Comprehensive loss	(4,207,790)	(3,955,625)	(252,168)	6.4
Basic and diluted loss per share	(2.31)	(2.60)	0.43	16.5

Revenue and Gross Profit

Revenue decreased $95,182 or 9.9% year over year as a result of a large licensing contract that contributed approximately 77% of the revenue recognized in 2019 with no similar agreement in 2020. Removing the effect of this licensing agreement, revenue would have increased approximately 235% year over year and is indicative of the Company’s stage of growth where it is commencing scaling of sales. Additionally, market conditions for the Company’s product were significantly enhanced by the onset of the Covid-19 pandemic as remote patient monitoring gained wide acceptance and increased the appetite for the Company’s offering. The Company’s gross profit decreased by $466,053 or 59.2%. Removing the impact of the licensing agreement, which is skewed to higher margin subscription revenue, the Company’s gross profit would have increased by approximately 44%. Management expects that the gross profit margin will fluctuate based on mix of sales.

Operating Expenses

The table below sets forth the details of operating expenses for the year ended December 31, 2020 and 2019:

	Year ended December 31,			
	2020	2019	Change	
	$	$	$	%
Salaries & wages	2,665,160	2,224,195	440,965	19.8
Professional fees	758,143	270,940	487,203	179.8
Sales, general & administrative	428,638	475,204	(46,566)	9.8
Office	434,098	200,612	233,486	116.4
Research & development	410,746	194,514	216,232	111.2
Amortization & depreciation	253,781	254,413	(632)	(0.2)
Share-based compensation	258,103	680,708	(422,605)	(62.1)
	5,208,669	4,300,586	908,083	21.1

Operating expenses are considered by nature with the largest categories being salaries & wages, professional fees, sales, general & administrative, office, research & development, amortization & depreciation and share based compensation.

Operating expenses increased $908,083 or 21.1% year over year predominantly due to establishing the infrastructure for the Company to scale. This growth can be seen in the increase in salaries & wages of $440,965 or 19.8% attributable to increased headcount and an increase of $233,486 or 116.4% largely attributable to the expansion of its lease at its Kitchener location and the increased need of data related expenditures to support its growing customer base. Additionally, there was an increase of $487,203 or 179.8% in legal fees attributable to conversion of convertible debt, new offering of convertible debt and legal and accounting fees attributable to the planned reverse takeover of Roosevelt Capital Group. Research and development increased $216,232 or 111.2% to response to several government funding programs that have accelerated certain product development projects. Share based compensation decreased $422,605 or 62.1% due to the Company's amortization of the fair value of options granted to employees and contractors to the statement of profit and loss; there were more options granted at a greater fair value that vested in 2019 vs 2020. Sales, general & administrative costs decreased $46,566 or 9.8% predominantly as a result of increases in dues & memberships associated with increased headcount offset by Covid – 19 related decreases in travel and advertising and promotion as well as decreased bad debts.

Other Income and Expenses

The table below sets forth the details of other expense and income for the years ended December 31, 2020 and 2019:

	Years ended December 31,			
	2020	2019	Change	
	$	$	$	%
Foreign exchange gain/(loss)	29,846	72,517	(42,671)	(58.8)

Interest expense	(546,315)	(259,521)	(286,794)	110.5
Fair value gain/(loss)	(70,892)	84,950	(155,842)	NMF
Government funding and grant income	1,040,822	132,722	908,100	684.2
Gain/(loss) on marketable securities	96,961	(352,420)	449,381	NMF
Other income/(expense)	-	12,148	(12,148)	(100.0)
	550,422	(309,604)	860,026	277.8

Other income/(expense) changed $860,026 moving the category from an overall expense of $309,604 to overall income of $550,422. This was predominantly as a result of the $908,100 or 684.2% increase in government funding and grant income. During 2020, there were several Covid -19 related grants that the Company was awarded that were additive to existing program with the Ontario Centres of Excellence. Additionally, the Company was eligible for payroll related funding. There was also a non cash increase to the value of the marketable securities of $449,381 as a result of an increased number of shares from payment of accounts receivable and a penalty clause through shares increasing the number of securities held on which market gains and losses are measured combined with an increase in the value of the underlying securities. These increases to other income were offset by increased interest expense of $286,794 attributable to expanded convertible debt and the new lease in Kitchener. There was also a decline of $155,842 in fair value of the conversion feature of the convertible debt based on market assumptions of volatility and price and a decrease of $42,671 or 58.8% in foreign exchange as a result of changes in the value of the Canadian dollar.

Statement of Financial Position

	As at			
	December 31, 2020	December 31, 2019		Change
	$	$	$	%
Total assets	3,002,192	1,485,580	1,516,612	102.1
Total liabilities	6,371,811	2,889,604	3,482,207	120.5
Deficit	(3,369,619)	(1,404,024)	(1,965,595)	140.0
Total liabilities and deficit	3,002,192	1,485,580	1,516,612	102.1

Total Assets

Total assets increased $1,516,612 or 102.1% year over year demonstrating the growth of the business. Cash increased by $475,598 as a result of the proceeds from convertible debt and government funding. Accounts receivable increased

$49,700 or 17.8% predominantly as a result of timing of payments. During the year, the Company received additional marketable securities from a customer as payment of their outstanding accounts receivable in addition to further shares in settlement of a penalty clause in the contract; in addition to having more securities at December 31, 2020 than at December 31, 2019, the underlying market value of these shares increased with an overall result of an increase to the marketable securities balance of $145,984 or 74.9%. Management continues to liquidate these shares opportunistically. Inventories increased $177,058 or 67.4% as the Company poised to scale its sales. Prepaid expenses increased $164,189 or 207.9% predominantly due to services related to the planned reverse takeover of Roosevelt Capital Group and down payments made for inventory. Property Plant and Equipment increased $109,482 or 600.9% due to the addition of machinery for research and development together with equipment to support the increased headcount. The right of use asset increased $520,988 or 720% due to the entry into a 5 year lease in Kitchener. This was offset predominantly by a $116,728 or 21.4% decrease in intangible assets due to amortization.

Total Liabilities

Total liabilities increased $3,482,207 or 120.5% year over year due to a $456,627 increase in trade and other payables due to timing of payments and expansion of the business, an increase of $574,632 due to the entry of the new lease in Kitchener and increases of $258,466 and $1,996,125 to the conversion feature of the convertible debt and the convertible debt host respectively as a result of new issuances and the movement in the underlying volatility and share price assumptions on the conversion feature. Deferred income has increased $721,792 predominantly as a result of receipt of funding under the NGEN Manufacturing Supercluster grant in 2020 that will be matched with 2021 activities. These increases were offset by decreases of $42,752 and $473,683 in advances from related parties and note payable due to settlements thereof.

Summary of Quarterly Results

The table below sets forth selected quarterly financial data:

Quarter-ended	Revenue	Net Loss	Loss per Share
	$	$	$
December 31, 2020	325,900	934,666	0.48
September 30, 2020	151,961	1,642,154	0.84
June 30, 2020	323,255	1,064,740	0.56
March 31, 2020	67,192	694,968	0.41
December 31, 2019	97,869	966,721	0.66
September 30, 2019	182,921	1,445,153	0.99
June 30, 2019	87,281	915,961	0.66
March 31, 2019	595,419	468,583	0.32

The Company's revenues fluctuate quarterly depending on new customers sold and onboarded. As the Company attains scale, this is expected to become more evenly distributed throughout the year with some level of seasonality around traditional holiday periods. The Company's net loss is reflective of its stage of growth as it scales up. Loss per share fluctuates both with the net loss and weighted average number of shares outstanding which has been increasing with its capital raises.

Liquidity and capital resources

The table below sets forth the cash flows for the years ended December 31, 2020 and 2019:

	Years ended December 31,			
	2020	**2019**	**Change**	
	$	**$**	**$**	**%**
Cash from (used) in				
Operating activities	(2,633,195)	(2,756,706)	123,511	4.5
Investing activities	112,207	10,894	101,313	930.0
Financing activities	2,982,952	2,741,343	241,609	8.8
Increase (decrease) in cash	461,964	(4,469)	466,433	NMF

The Company may be adversely impacted by uncertain market conditions and adverse results from operations. The Company may face challenges due to such factors as the loss of a major customer contract, entry of new competitors or significant changes in healthcare regulations. Should expected revenue growth not materialize, the Company may be required to seek additional financing through the sale of equity securities and/or through debt.

Cash

The cash available from operating activities increased year over year by 4.5%. The increase is primarily attributed to timing of receipts and payments.

Cash received from investing activities relates primarily to the activity to dispose of marketable securities that were used by a customer to satisfy its contractual obligations offset by purchases of equipment in 2020.

The cashflow from financing increased $241,609 or 8.8% year over year as a result of proceeds from issuance of common shares of $664,500 (2019 - $298,302) and $2,379,558 of convertible debt that was issued in 2020 (2019 - $1,903,496). This was offset by $61,106 of payments for lease obligations (2019 - $162,816) .

Financing

During 2019 the Company issued unsecured convertible debentures (the **"Debentures"**) for aggregate proceeds of $1,923,476 with various terms and conditions as outlined in the Consolidated Financial statements for the year then ended. In 2020, certain debenture holders voluntarily converted a portion of their debentures to equity at $8/share and rolled the balance of their debenture balances into a new tranche of convertible debentures (the "New Debentures") that were also held open for other subscription. These New Debentures bear interest at prime +10% with a maturity date of eighteen months from the date of subscription. These New Debentures are automatically converted to common shares in a qualifying transaction at an 20% discount of the price per share. A qualifying transaction is defined as a transaction pursuant to which the Company (a) merges, amalgamates, or consolidates with or into any other company or business entity in which the Company is not the surviving entity and the Company's shareholders hold less than 50% of the surviving entity, (b) sells all or substantially all of its issued and outstanding shares of Common Stock or (c) completes an initial public offering of shares of Common Stock or other going public transaction. If the convertible debenture is outstanding upon maturity the holder has a right to either convert all of the principal and accrued but unpaid interest into Common Stock at a price of $10 per share or have all principal and accrued but unpaid interest converted to Common Stock paid in full.

The proceeds from each of these financings has been used in the development of the Company as it secures its patents, develops its product and scales its operations for growth.

Issued and Outstanding Share Capital

The Company's authorized capital consists of 10,000,000 Common Shares with a $.0001 par value per share. As of the date of this MD&A, the issued and outstanding shares consists of 1,962,509 Common Shares (2019 – 1,621,130).

The Company has established two stock option plans, one for the for the benefit of its employees and the other for the benefit of its directors, officers and consultants. The maximum number of options that may be granted under the plans cannot exceed 300,000, representing approximately 15% of the aggregate of issued and outstanding Common Shares at the date of this MD&A. As of the date of this MD&A, there are 222,100 stock options outstanding under the Company's stock option plan. Further details on issued and outstanding options can be found in the Consolidated Financial Statements for the years ended December 31, 2020 and 2019.

Significant Accounting Policies and Estimates

The Company's significant accounting policies and accounting estimates under IFRS are contained in the audited Consolidated Financial Statements as at December 31, 2020. Certain of these policies involve critical accounting estimates as they require us to make particularly subjective or complex judgments about matters that are inherently uncertain and because of the likelihood that materially different amounts could be reported under different conditions or using different assumptions. Actual results may differ from estimates under different assumptions and conditions. Significant judgments include impairment of long-lived assets, depreciation of intangible assets, fair value measurements and the valuation process. The most significant judgement is the assumption of going concern contemplating the realization of the assets and payments of liabilities in the ordinary course of business. For further information see the Consolidated Financial Statements for the years ended December 31, 2020 and 2019.

Related party transactions

The Company's related parties are comprised of current or former members of the Board and executive team of the Company. During 2019 and for a portion of 2020, the Company had outstanding loans with a company controlled by a director. All loans have been either settled in cash or settled through a conversion to equity by March 27, 2020. Interest associated with these loans totaled $17,209 in 2020 (2019 - $38,423). Further details on these obligations may be found in the Consolidated Financial Statements for the years ended December 31, 2020 and 2019

During 2020, the Company recorded an expense associated with consulting fees to an entity controlled by an officer of the Company of $75,922 (2019 - $67,080). Additionally, key management compensation for the years ended December 31, 2020 and 2019 consisted of the following:

	December 31, 2020	2019
	$	$
Salaries, fees and short-term benefits	**574,782**	306,480
Share-based benefits	**115,234**	281,234
	690,016	587,714

Financial Risks

Credit risk

Credit risk arises from the possibility that a counterparty will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily from cash and trade and other receivables. As of the date of this MD&A, the trade and other receivables were within normal repayment terms.

Foreign currency risk

The Company is exposed to financial risks as a result of exchange rate fluctuations and the volatility of these rates. In the normal course of business, the Company has revenue and purchases that are denominated in a currency other than the functional currency of the Company, being the US dollar. These transactions are primarily denominated in Canadian dollars. The Company does not currently enter into forward contracts to mitigate this risk. There have been no changes in the risk exposure between 2020 and the date of this MD&A.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through ongoing review of accounts receivable balances; following up on amounts past due; and management of cash.

The Company prepares its financial statements and other disclosures on a going concern basis, which assumes the realization of assets and discharge of liabilities in the normal course of business.

OTHER MATTERS

The Company has no off balance sheet arrangements.

SUBSEQUENT EVENTS

The Company closed its Convertible note offering in January 2021 after raising a further $223,925 in proceeds. The terms are consistent with the debentures issued in 2020 as disclosed in Note 14.

On January 7, 2021, the Company received its first advance of its Business Scale Up and Productivity Contribution Agreement with the Federal Economic Development Agency for Southern Ontario. The facility is for a total of $500,000CAD designed to assist with the Company's scale up in the North American markets. It is non-interest bearing with repayments commencing in June 2023.

On January 19, 2021, Cloud DX, Inc. (the "**Company**") and Roosevelt Capital Group Inc. ("**Roosevelt Capital Group**") announced a brokered private placement offering led by Haywood Securities and Echelon Wealth Partners as Co-Lead Agents, of up to 10,000,000 subscription receipts at a price of $0.50 CAD per subscription receipt, with an agent's option to offer for sale up to 1,500,000 subscription receipts on the same terms and conditions, for aggregate gross proceeds of up to $5,750,000 (the "**Private Placement**"). The subscription receipts entitle the holder thereof to receive one share and one-half of one warrant exercisable at $0.65CAD within 2 years of release from escrow and conversion of the subscription receipts in connection with the Qualifying Transaction described below.

On January 29, 2021, Roosevelt Capital Group and the Company announced the execution of an arrangement agreement (the "**Definitive Agreement**") regarding Roosevelt Capital Group's Qualifying Transaction. Pursuant to the terms of this agreement, Roosevelt Capital Group will acquire the Company through a three cornered amalgamation. The resulting issuer from this transaction will be named Cloud DX Inc. and continue the business of the Company.

Pursuant to a Share Exchange Agreement dated February 26, 2021, a selling majority of the shareholders of the Company approved a share exchange, pursuant to which each shareholder of the Company will exchange each share in the capital of the Company for 22.3783 common shares in the capital of 12632926 Canada Ltd. ("**Cloud Canada**"). The share exchange transaction is the first step of the plan of arrangement as contemplated by the Definitive Agreement and is a required step of the Qualifying Transaction.

On February 26, 2021, Roosevelt Capital Group advanced a secured loan in the amount of $250,000 CAD to the Company. The loan carries interest at a rate of prime plus 5% which accrues and is compounded on a monthly basis. The loan was evidenced by a loan agreement and secured by a general security agreement and is payable on demand on the maturity date, being the closing date or termination of the Qualifying Transaction.

On March 1, 2021, the Cloud Canada received interim court approval of the proposed plan of arrangement.

On March 15, 2021, Roosevelt Capital Group and the Company announced the upsizing of the Private Placement and the closing of the first tranche of the Private Placement for gross proceeds of $5,528,211 CAD.

On March 24, 2021, Cloud Canada held its special meeting of shareholders to consider and vote on the proposed Qualifying Transaction. At the meeting, Cloud Canada shares were voted only on the basis of and in accordance with the instructions received from shareholders of the Company. The plan of arrangement and transactions contemplated thereby were approved at the meeting by over 99% of the votes cast by shareholders of the Company.

On March 25, 2021, Cloud Canada received final court approval of the proposed plan of arrangement.

On March 29, 2021, Roosevelt Capital Group and the Company announced the final closing of the Private Placement for total aggregate gross proceeds of $6,095,000 CAD.

OUTLOOK

The Company's goals for F2021 are to close its qualifying transaction and achieve organic revenue growth through expanding its US sales force.

FORWARD LOOKING INFORMATION

This MD&A contains certain forward-looking statements. Forward-looking statements include but are not limited to, currency fluctuations, requirements for additional capital, Government regulation, environmental risks, disputes or claims, the Company's goals, objectives and growth strategies, improving the patient experience, operational efficiency and overall care performance, the intention to be an active acquirer within the healthcare services and digital health marketplaces, as well as statements with respect to management's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. In certain cases, forward-looking statements can be identified by the use of words 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. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such risks and uncertainties include, among others; the actual results of current activities, conclusions or economic evaluations, changes in project parameters as plans continue to be refined, failure of plant, equipment or processes to operate as anticipated, accidents, delays in obtaining government approvals or financing, risks relating to the integration of acquisitions and to international operations. While the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking 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 expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise except as required by law.