
# THERMA BRIGHT INC.

## MANAGEMENT'S DISCUSSION AND ANALYSIS
## QUARTERLY HIGHLIGHTS

### FOR THE THREE AND SIX MONTHS ENDED JANUARY 31, 2026

## Introduction

The following Interim Management's Discussion & Analysis ("MD&A") of Therma Bright Inc. (the "Company" or "Therma") has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management's discussion & analysis, being the Management's Discussion & Analysis ("Annual MD&A") for the fiscal year ended July 31, 2025. This MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

This MD&A has been prepared in compliance with the requirements of section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Annual MD&A, the audited annual consolidated financial statements of the Company for the years ended July 31, 2025 and 2024 and the unaudited condensed consolidated interim financial statements for the three and six months ended January 31, 2026, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the three and six months ended January 31, 2026 are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as at April 1, 2026 unless otherwise indicated.

The unaudited condensed consolidated interim financial statements for the three and six months ended January 31, 2026, have been prepared using accounting policies consistent with IFRS® Accounting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed interim financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting.

For the purposes of preparing this MD&A, management, in conjunction with the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Further information about the Company and its operations is available on SEDAR+ at **www.sedarplus.ca** and on the Company's website at **www.thermabright.com**.

## Caution Regarding Forward-Looking Statements

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events

or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

| Forward-looking statements | Assumptions | Risk factors |
|---|---|---|
| For fiscal 2026, the Company's operating expenses are estimated to be $100,000 per month for recurring corporate operating costs | The Company has anticipated all material costs; the operating activities of the Company for the twelve-month period ending January 31, 2027, and the costs associated therewith, will be consistent with the Company's current expectations. | Unforeseen costs to the Company will arise; any particular operating costs increase or decrease from the date of the estimation; changes in economic conditions and ongoing uncertainties |
| The Company will be required to raise additional capital in order to meet its ongoing operating expenses and complete its planned research and development on all of its current devices for the twelve-month period ending January 31, 2027 | The research and development activities of the Company for the twelve-month period ending January 31, 2027 and the costs associated therewith, will be consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to Therma Bright. | Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in cost of research and development; regulatory and governmental compliance and regulation; interest rate and exchange rate fluctuations; changes in economic conditions and ongoing uncertainties |
| The Company's ability to obtain and protect the Company's intellectual property rights and not infringe on the intellectual property rights of others. | Patents and other intellectual property rights will be obtained for viable device manufactures; patents and other intellectual property rights obtained will not infringe on others. | The Company will not be able to obtain appropriate patents and other intellectual property rights for viable pain relieve devices; patents and other intellectual property rights obtained will be contested by third parties; no proof that acquiring a patent will make the product more competitive. |
| The Company's ability to source markets which have demand for its products and successfully supply those markets in order to generate sales. | The segment of the market for the Company's products and /or potential products, as well as technologies, will continue to exist and expand. The Company's products will be commercially viable, and it will successfully compete with other thermal therapy technology devices. | The anticipated market for the Company's products and /or potential products, as well as technologies, will not continue to exist and expand for a variety of reasons, including competition from other products and the degree of commercial viability of the potential product. |

Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. Please also make reference to those risk factors referenced in the "Risks and Uncertainties" section below. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

## Description of Business

Therma Bright Inc. is a developer and partner in a range of proprietary diagnostic and medical device technologies focused on providing consumers and medical professionals that address some of today's most important medical and healthcare challenges. The Company's common shares trade on the TSX Venture Exchange (TSXV: THRM), the OTC Markets (OTCQB: TBRIF), and the Frankfurt Stock Exchange (FSE: JNX).

On July 8, 2025, the Company completed an 8 for 1 share consolidation. The share consolidation has been applied retrospectively and as a result, all shares and per share amounts are stated on an adjusted basis.

The Company is developing, acquiring, manufacturing and marketing proprietary healthcare and medical devices for the consumer and institutional marketplace focused on 3 key strategic areas: Respiratory Disease, Vascular Health and Consumer Medical Devices. Visit the Company's website at www.thermabright.com for more information.

**Respiratory Disease portfolio**

- AI4LYF Digital Cough Technology
- InStatin - novel inhaled treatment asthma & COPD

**Vascular Disease Portfolio**

- Inretio – Ischemic stroke treatment
- Venowave – Deep Vein Thrombosis Treatment Device (DVT)

**Consumer Health Portfolio**

- AcuVid™ Covid-19 Rapid Antigen Saliva Test
- Benepod - Contrast Therapy Device
- TheroZAP™ - Thermal Therapy Device
- InterceptCS ™- Cold Sore Prevention System

The Company holds trademarks for Therozap™ InterceptCS™ and AcuVid™ and patents pending and regulatory approval for Venowave, InterceptCS™ and Therozap™. The Company's initial breakthrough proprietary technology delivers effective, non-invasive, and pain-free skincare. Therma Bright received a Class II medical device status from the FDA for its platform technology that is indicated for the relief of the pain, itch, and inflammation of a variety of insect bites or stings. The Company received clearance for the above claims from the US FDA in 1997.

## Outlook and Overall Performance

On September 29, 2025, the Company amended the exercise price of an aggregate of 6,250,000 common share purchase warrants of the Company that were issued as part of the Company's private placements that closed in two tranches on June 10, 2024 and June 20, 2024 from $0.80 per share to $0.06 per share. All other terms of the warrants remain the same, including the expiry dates. As a result, during the six months ended January 31, 2026, 2,993,750 warrants were exercised for gross proceeds of $179,625.

On October 10, 2025, the Company announced the appointment of Michael Raimondo to its Board of Directors, replacing Alex Saringer.

On October 30, 2025, the Company issued 250,000 common shares to settle aggregate debt of $100,000.

During the six months ended January 31, 2026, the Company recorded revenues of $19,317 (2025 - $32,137).

At January 31, 2026, the Company had a net working capital deficit of $1,878,558 (July 31, 2025 – net working capital deficit of $1,616,487). The Company had cash of $6,241 (July 31, 2025 - $1,467). The Company's working capital is insufficient to maintain its general and administrative costs for the next 12 months. Management will adjust budgeted expenditures depending on product development results and ongoing volatility in the economic environment. See "Liquidity and Financial Position" below.

## Description of Current Products

**Covid-19 Diagnostic Test Product Line**

AcuVid™ COVID-19 Rapid Antigen Saliva Test will offer a simple, low-cost, saliva- based, rapid screening solution for the rapid detection of the novel coronavirus (SARS-CoV-2), as well as other prevalent COVID-19 variants once regulatory approval is received

AcuVid™ COVID-19 Rapid Antibody Test (Therma Bright's white-labeled) is a simple pinprick antibody blood test that uses a small amount of blood. The antibody test is used for detecting antibodies of SARS-

CoV-2 in those individuals currently infected with the virus or who have previously been infected but went undiagnosed or were unaware of their infection. It can also aid in detecting antibodies generated by those who have received a COVID-19 vaccine.

**Sores & Bite Inflammation Therapy Product Line**

The InterceptCS™ Cold Sore Prevention System is the first product clinically proven and approved for the prevention of cold sores. This Cold Sore Prevention System is comprised of an ergonomically designed hand-held unit and a disposable treatment activator, which is good for preventing a cold sore occurrence.

TherO*Zap*™ is the next generation in pain management relief using thermal therapy for insect bites and stings. The TherO*Zap*™ thermal relief therapy aims to reduce the inflammatory response, relieving the symptoms of pain, itch and inflammation associated with over 20,000 different insect bites and stings.

**Muscle Pain & Blood Circulation Health Therapy Product Line**

Venowave is a circulation booster designed to improve circulation in the lower extremities. The Venowave is a medical compression pump that is lightweight, compact, battery operated, designed to treat and alleviate the symptoms associated with poor circulation. When worn on the calf, the Venowave produces a peristaltic action which helps move blood from the feet and legs back to the heart. This increase in blood flow draws oxygen to wound and ulcer sites, prevents blood pooling and clotting, and alleviates symptoms of Post Thrombotic Syndrome and other Chronic Venous Insufficiencies

Benepod™ Hot & Cold Contrast Therapy Device for temporary pain relief without the use of medication. Benepod is especially powerful for relief of chronic pain, such as osteoarthritic joint pain, migraine headaches, neuropathic pain and many other chronic musculoskeletal aches and pains as well as short term painful issues, such as insect bites and localised aches. The Benepod provides symptomatic relief and pain management for people suffering chronic or acute pain.

**Investments in Partners & Exclusive Licenses**

InStatin & Invixa - Proprietary Inhaled Statin Therapy for Respiratory Disease

- PRE-CLINICAL STAGE: InStatin is a preclinical stage biopharma company specialized in developing proprietary inhaled therapies for respiratory diseases
- NOVEL INHALED TREATMENT: Lead candidate, INS-103, is a novel inhaled treatment for asthma and chronic obstructive pulmonary disease (COPD)
- Lead indication: Asthma, the most common chronic respiratory disease with ~46 mn patients in US and EU4/UK
- Significant unmet need for alternatives to inhaled corticosteroids due to the adverse side effects of chronic steroid use1
- 1st UP – ASTHMA TREATMENT: INS-103 will be developed first in asthma as a steroid-sparing agent in combination with standard of care, with potential efficacy enhancing effects, and next as a safer alternative to standard asthma treatments

- INS-103 will begin first-in-human trial within one year, and proof-of-concept data is expected in 2-2.5 years; the formulation has been tested in hamsters and mice without adverse effects at therapeutic doses; API has been tested extensively in pulmonary cells and lung tissue
- FOUNDERS: Founded and led by pioneers in inhalable drug development and a scientific leader in severe asthma and chronic lung diseases; leadership team has played key roles in the creation and approval of the first inhalable insulin, the first inhalable dry powder antibiotic, and the first inhaled protein

Inretio Inc. - Preva® ischemic stroke solution

ISCHEMIC STROKE SOLUTION Mechanical Thrombectomy is an interventional neuroradiology procedure of removing a blood clot (thrombus) from blood vessels. Current methods often lead to fragmentation of the blood clot. The fragments travel downstream and block smaller vessels. The physician needs to decide which fragments he can remove and whether the potential for disability as a result of the embolus is greater than the potential risk of removing it. The result is that only 29-38% (depending on the method) of cases regain sufficient (TICI*=3) revascularization.

PREVA™ CLOT RETRIEVER The first and only protective blood clot retriever using a distal basket. PREVA™ is the only blood clot retrieval device that can access distally to the clot. The device protects the brain during the procedure from sub-clots by "ensnaring" the clot and encapsulating it using our PREVA Basket. This allows the complete removal of the clot and its fragments to ensure revascularization of the brain tissue.

- GLP COMPLETED: Good Lab (GLP) Animal Study completed in May 2023 - The PREVA™ device achieved overall removal of 100% of the clot in 100% of the cases during the GLP study
- FIH: Inretio has received regulatory approval for First-in-Human (FIH) Trial approval from the Israeli Ministry of Health to conduct a human study at Sheba Hospital for its Preva® ischemic stroke solution.

AI4LYF- AI Powered Digital Cough Analyzer- Exclusive Global License

DIGITAL COUGH ANALYZER: AI-Driven Digital Cough Technology data collection application was designed to assist medical practitioners in monitoring their patients' respiratory health. Doctors who use the solution will receive diagnostic cough information data, so they can better diagnose and treat each patient. Once the monitoring is complete the data becomes available to medical practioner through a dashboard called a clinical decision assistant. The doctor can diagnose or treat patient with this information.

Therma Bright is applying for 513g FDA clearance with the aim of charging under Centers for Medicare & Medicaid Services (CMS) codes for patient reimbursement under Remote Therapeutic Monitoring (RTM).

## Off-Balance-Sheet Arrangements

As of the date of this filing, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

## Proposed Transactions

The Company routinely evaluates various business development opportunities. However, as of the date of this MD&A, no proposed transaction has been approved by the Board of Directors.

## Discussion of Operations

**Three months ended January 31, 2026, compared with three months ended January 31, 2025**

The Company's net loss totaled $315,882 for the three months ended January 31, 2026, with basic and diluted loss per share of $0.01, compared to a net loss of $501,995 with basic and diluted loss per share of $0.01 for the three months ended January 31, 2025. The change in net loss was principally because:

- Revenue decreased to $19,317 for the three months ended January 31, 2026 (2025 - $27,096).
- General and administrative expenses decreased to $312,163 for the three months ended January 31, 2026 (2024 - $549,181) mainly due to a decrease in professional and consulting fees.

**Six months ended January 31, 2026, compared with six months ended January 31, 2025**

The Company's net loss totaled $546,782 for the six months ended January 31, 2026, with basic and diluted loss per share of $0.01, compared to a net loss of $920,767 with basic and diluted loss per share of $0.01 for the six months ended January 31, 2025. The change in net loss was principally because:

- Revenue decreased to $19,317 for the six months ended January 31, 2026 (2025 - $32,137).
- General and administrative expenses decreased to $546,459 for the six months ended January 31, 2026 (2024 - $903,730) mainly due to a decrease in management fees, professional and consulting fees, marketing, and other support costs.
- Stock-based compensation decreased to $nil for the six months ended January 31, 2026 (2025 - $170,940). Stock-based compensation varies depending on the vesting of stock options granted.

## Liquidity and Financial Position

At January 31, 2026, the Company had a net working capital deficit of $1,878,558 (July 31, 2025 – net working capital deficit of $1,616,487).

Cash used in operating activities was $174,851 for the six months ended January 31, 2026. Operating activities were affected by net loss of $546,782, adjusted by unrealized loss on marketable securities of $6,656, depreciation and amortization of $5,086 and changes in non-cash working capital items totaling $408,329.

There was no cash used in or provided by investing activities for the six months ended January 31, 2026.

Cash provided by financing activities was $179,625 for the six ended January 31, 2026. Financing activities were affected by proceeds from exercise of warrants.

The Company has minimal operating revenues and therefore must utilize its funds obtained from the equity financing and other financing transactions to maintain its capacity to meet ongoing research and development and operating activities.

The Company's use of cash at present occurs, and in the future will occur, principally in two areas, namely, funding of its general and administrative expenditures and funding of its research and development activities. For fiscal 2026, the Company's expected operating expenses are estimated to average $100,000 per month for recurring operating costs. Management may reassess its planned expenditures based on the Company's working capital resources, the scope work required to advance exploration on its projects and the overall condition of the financial markets.

The Company's has a net working capital deficit of $1,878,558 as at January 31, 2026, which is insufficient to maintain its general and administrative costs for the next 12 months.

## Critical Accounting Estimates

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts specifically affected by estimates in these financial statements are convertible debentures, stock options granted, warrants issued, accruals and valuation allowances.

## Capital Risk Management

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and financial markets in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, or adjusting spending. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital structure to consist of shareholders' equity, which at January 31, 2026 totaled a deficiency of $1,832,766 (July 31, 2025 – deficiency of $1,565,609). The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. Selected information is provided to the Board of Directors of the Company. The Company is not subject to any capital requirements imposed by a lending institution.

## Related Party Transactions

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. Related party transactions conducted in the normal course of operations are measured at the amount established and agreed to by the related parties.

(a) The Company entered into the following transactions with related parties:

For the three and six months ended January 31, 2026, the Company expensed $6,989 and $19,329, respectively (2025 - $12,356 and $24,679, respectively) to Marrelli Support for the services of an employee of Marrelli Support to act as the Chief Financial Officer of the Company. In addition, Marrelli Support also provides bookkeeping services to the Company. As at January 31, 2026, Marrelli Support was owed $19,620 (July 31, 2025 - $10,478) and this amount is included in accounts payable and accrued liabilities.

For the three and six months ended January 31, 2026, the Company expensed $46,875 and $93,750, respectively (2025 - $78,125 and $156,250, respectively) to Intelvest, a company controlled by a director and officer of the Company, for the management services of Rob Fia to act as Chief Executive Officer ("CEO") of the Company. As at January 31, 2026, $987,163 (July 31, 2025 - $751,260) is included in accounts payable and accrued liabilities.

(b) Remuneration of directors and key management personnel of the Company was as follows:

| | Three Months Ended January 31, 2026 ($) | Three Months Ended January 31, 2025 ($) | Six Months Ended January 31, 2026 ($) | Six Months Ended January 31, 2025 ($) |
|---|---|---|---|---|
| Share-based compensation | Nil | Nil | Nil | 51,800 |

(c) The Company entered into a consulting agreement for the services of City View Green Holdings Inc. ("CVGR"), a company with common officers and directors, to develop a pain formulation containing CBD for use with the Company's product portfolio. As part of the agreement, the Company advanced $200,000 to CVGR pursuant to a 2-year promissory note with a 10% interest rate. The promissory note is to be reviewed annually to calculate the value of services performed by CVGR. The promissory note is due and receivable on demand by the Company in the event this agreement is terminated.

During the year ended July 31, 2024, the Company determined that a portion of the promissory note is not recoverable and recorded an impairment loss on the promissory note receivable of $129,930.

On November 6, 2024, the Company settled the promissory note in consideration for 665,570 common shares of CVGR.

## Subsequent Event

On March 13, 2026, the Company granted stock options to directors, officers and consultants to purchase up to 2,850,000 common shares of the Company. The options are exercisable for 2 years at a price of $0.07 per share. The options vested immediately.

## Disclosure of Internal Controls

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the unaudited condensed interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements; and (ii) the unaudited condensed interim financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

## Risks and Uncertainties

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section titled "Risk Factors" in the Company's Annual MD&A for the fiscal year ended July 31, 2025, available on SEDAR+ at **www.sedarplus.ca**.