

**COMPREHENSIVE HEALTHCARE SYSTEMS INC.
(FORMERLY GREENSTONE CAPITAL CORP.)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND TWELVE MONTHS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in US dollars)**

This management discussion and analysis (“**MD&A**”) of the consolidated financial position of Comprehensive Healthcare Systems Inc. (“**CHS**”, the “**Company**” and “**Company**,” “**our**” or “**we**”), formerly known as Greenstone Capital Corp., including its wholly owned subsidiaries Health Plan Systems Inc., New York Medical Management Inc., Health Plan Systems Services Corp. and Sterling Health Services Inc. (“**The Company**”) and results of its operations for the twelve months ended December 31, 2025 and 2024 is prepared as at April 29, 2026. This MD&A should be read in conjunction with the audited condensed consolidated financial statements for the twelve months ended December 31, 2025 and 2024 and the related notes thereto. Those condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) as issued by the International Accounting Standards Board (“**IASB**”). All currency amounts are expressed in US dollars, unless otherwise noted.

Forward-Looking Information

Certain statements in this MD&A that are not based on historical facts constitute forward-looking information. Such information, although considered to be reasonable by the Company’s management at the time of preparation, may prove to be inaccurate and actual results may differ materially from those anticipated in the statements made. This MD&A may contain forward-looking statements that reflect the Company’s current expectations and projections about its future results. When used in this MD&A, words such as “estimate”, “intend”, “expect”, “anticipate” and similar expressions are intended to identify forward-looking statements, which, by their very nature, are not guarantees of the Company’s future operational or financial performance, and are subject to risks and uncertainties and other factors that could cause the Company’s actual results, performance, prospects or opportunities to differ materially from those expressed in, or implied by, these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this MD&A or as of the date otherwise specifically indicated herein. Due to risks and uncertainties, including the risks and uncertainties identified above and elsewhere in this MD&A, actual events may differ materially from current expectations. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Such statements reflect our management’s current views with respect to future events and are subject to risks and uncertainties and are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social uncertainties and known or unknown risks and contingencies. Many factors could cause our actual results, performance or achievements to be materially different from any future results, performance, or achievements that may be expressed or implied by such forward-looking statements. Please see the risk factors discussed under the heading “Risk Factors” in this document.

Executive Summary: Operations, Financial Results and Outlook

Key Highlights

- ✓ *Revenue increased 9% year-over-year to \$4.1 million; underlying invoicing activity at US\$ 4.5M vs US\$ 3.68M during 2024, was higher due to revenue deferrals under IFRS*
- ✓ *Signed 3 new contracts during 2025 including the largest 5-year contract in the Company’s history that will generate over US\$ 8M in revenue during the contract period*
- ✓ *Gross margin improved to 59%, reflecting early operating leverage*
- ✓ *Approximately US\$25 million in signed contracts and a sales pipeline exceeding \$20 million*
- ✓ *Continued investment in platform development, sales capacity, and operational scale*
- ✓ *Normalized loss estimated at approximately \$0.75 million after adjusting for non-cash and timing-related items*
- ✓ *Strengthened liquidity position through approximately \$2.8 million in financing raised subsequent to year-end*

During the year ended December 31, 2025, Comprehensive Healthcare Systems Inc. (“**CHS**” or the “**Company**”) continued its transition toward a more scalable, recurring software-as-a-service (“**SaaS**”) operating model, supported by ongoing investments in its Novus 360 platform and expansion of its commercial activities. Management believes that the Company has made meaningful progress in strengthening its operating foundation while positioning the business for future growth.

Revenue for the year was \$4.1 million, representing an increase of 9% compared to the prior year. The Company notes that reported revenue reflects the impact of IFRS revenue recognition requirements, including the deferral of approximately \$464,000 of revenue associated with ongoing implementation and customization projects. Excluding the effect of such deferrals, invoicing activity during the year was approximately \$4.5 million compared to \$3.7 million in the prior year, indicating stronger underlying growth in business activity. In addition, certain customer advances, including approximately \$220,000 received in connection with a recently executed contract, are recorded as contract liabilities and are not reflected in revenue for the period.

Gross profit increased to \$2.4 million, with gross margin improving to 59% from 55% in the prior year. The improvement reflects continued optimization of software development and maintenance costs, as well as increased scale in the Company’s platform operations. Management expects that further margin expansion may be achieved over time as the platform continues to scale and onboarding processes become more standardized.

Operating expenses for the year increased to \$3.6 million, reflecting the Company’s continued investment in growth initiatives. In particular, research and development expenses increased as the Company enhanced platform capabilities and onboarded new clients, while sales and marketing expenses increased in support of pipeline development and customer acquisition. The Company

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also recognized \$249,605 in share-based compensation expense related to restricted share units and stock options granted during the year. These investments are intended to support future revenue growth and platform scalability.

The Company reported a net loss of \$2.1 million for the year, compared to a net loss of \$0.6 million in the prior year. Reported results include certain non-cash and non-recurring items, including a loss on conversion of convertible debt and share-based compensation expense. After adjusting for these items, as well as the impact of revenue deferrals, management estimates that the Company's underlying loss for the year was approximately \$0.75 million. This measure is provided to assist readers in understanding the Company's operating performance but does not have a standardized meaning under IFRS and may not be comparable to similar measures presented by other issuers.

From a commercial perspective, the Company continued to build momentum during the year. CHS has secured approximately C\$35 million (approximately US\$25 million) in signed contracts across more than 20 clients. The Company also entered into a five-year agreement with Amalgamated Life Insurance Company, representing a significant enterprise-level engagement. As at the date of this MD&A, the Company's active sales pipeline exceeds US \$20 million, based on submitted proposals and ongoing discussions. While conversion of pipeline opportunities is subject to uncertainty, the Company has historically achieved conversion rates in the range of 25% to 30%.

The Company's platform continues to operate at increasing scale, supporting over one million members across healthcare and retirement plans. Ongoing technology initiatives, including the development of multi-tenant architecture, cloud infrastructure enhancements, and the integration of automation and artificial intelligence capabilities, are intended to improve implementation efficiency, reduce customization requirements, and enhance long-term operating leverage.

During the year and subsequent to December 31, 2025, the Company made progress in reducing and restructuring its outstanding liabilities. Accounts payable and accrued liabilities were reduced by approximately \$416,578, and convertible debt declined through a combination of repayments and conversions to equity. In addition, in February 2026, the Company entered into a forbearance agreement with the lender of its term loan, under which the outstanding obligation of approximately \$1.33 million will be settled for total payments of \$290,000 over an agreed installment schedule extending to August 2028. The Company is paying the dues as per the abovementioned forbearance agreement and expects that it would target to pay the outstanding amount during the year 2026 to settle and remove this liability from its balance sheet. Management believes this arrangement significantly reduces the Company's near-term financial obligations and provides improved flexibility to support ongoing operations and growth initiatives.

Liquidity remains a key focus for the Company. Subsequent to year-end, the Company raised, net of financing costs, approximately \$2.8 million in financing, which management intends to use to support operations, reduce outstanding liabilities, and fund growth initiatives. The Company continues to actively manage its capital structure and obligations, including through negotiated settlements and restructuring arrangements.

Looking ahead, management's focus remains on executing its growth strategy, including expanding within its existing client base, pursuing new customer opportunities, and enhancing the capabilities of its platform. Based on its current trajectory, the Company is targeting an increase in recurring revenue and continued improvement in gross margins over time. However, the Company remains in an investment phase, and its ability to achieve its objectives will depend on successful execution, access to capital, and broader market conditions.

Management believes that CHS is at an inflection point, transitioning into a scalable SaaS growth story. It has strong commercial traction and improving margins underpin the thesis. Although near-term financials remain pressured, but unit economics and backlog visibility support longer term growth.

Company Overview

COMPREHENSIVE HEALTHCARE SYSTEMS INC. (the "Company"), formerly known as Greenstone Capital Corp., was incorporated on June 6, 2018 and became a "Reporting Issuer" in each of the Provinces of Alberta, British Columbia and Ontario pursuant to applicable securities legislation on April 11, 2019.

On December 29, 2021, the Company completed a reverse takeover with Comprehensive Healthcare Systems Inc. ("CHS"), a Delaware "C" Corporation founded in 2015, providing healthcare administrative software, licensing and maintenance services to various interests in the healthcare industry, including insurance companies, hospitals, doctors and labor unions. Pursuant to the reverse takeover, the Company changed its name to "Comprehensive Healthcare Systems Inc." and began trading on the TSX Venture Exchange under the stock symbol CHS.V. The head office of the Company is at 515 Plainfield Ave, Suite 103, Edison, New Jersey, 08817. The Company's registered and records office is at 220 – 333 Terminal Avenue, Vancouver, BC V6A 4C1.

The Company's state of the art HPS NOVUS Healthcare Welfare and Benefits Administration ("HPS NOVUS") SaaS platform is used by clients for all aspects of healthcare benefits administration (including insurance companies, hospitals, doctors and labor unions) through various corporations in which the majority shareholder has controlling ownership, providing healthcare administrative software, licensing and maintenance services. This system simplifies how organizations and individuals transact benefits. The Company's customers rely on the platform to manage, scale and exchange benefits seamlessly. This creates solutions that drive value for all participants in the US. healthcare ecosystem.

Industry Overview

The US healthcare system is not a universally accessible system like Canada, and most insured Americans are under employer-sponsored health insurance. One variant of this is that the employees and the employers will jointly pay contributions into a healthcare fund, then the funds will be used to purchase a group insurance or a create a self-insured plan. Self-insured plans usually cost less for larger employers compared to traditional insurance policies, which incentivizes a shift towards self-insurance. The daily operations of insurance claims, billing and other related procedures for self-funded insurance plans can be managed through “Third-Party Administrators” (“TPAs”) or managed in-house. Under this structure, the industry operator is a software provider or a TPA and processes health benefit payments on behalf of clients.

TPAs play a critical role in the insurance market by enabling businesses to outsource claims processing, administration and risk management. When an employee uses a healthcare provider (such as a clinic, a hospital or a doctor), the employee can monitor their claim through a TPA. The TPA processes the claim after receiving the claim from the healthcare provider, and then pays out claims on behalf of the insurance plan. TPAs are highly reliant on manual, labor-intensive procedures for claims processing. TPAs subscribe to various software to manage filing, as well as communication of claims, thereby reducing cost. Such software is typically designed to streamline operations, reduce process complexity and costs, manage compliance with new regulations and increase customer satisfaction. However, the industry is fragmented because different software is used for different steps in the claims process. Given that different software will use different mechanisms for filing, processing and reimbursement, there are several manual handoffs in the entire process. The industry is rapidly shifting towards cloud computing, in order to expand software capabilities on platforms previously limited by hardware. The industry is also striving to make data more accessible, which paves the wave for new business models, such as SaaS.

Strategy

The Company’s goal is to be a leader in the development, sale and maintenance of a sophisticated platform for all aspects of healthcare and benefits administration.

The Company can transform how employers, insurance brokers and insurance carriers deliver value for employees and their families. This is to be achieved by strengthening the Company’s position as a leading cloud-based benefits management platform for buyers and sellers, working closely with insurance brokers as partners in the ecosystem. Key elements of the Company’s growth strategy include the following:

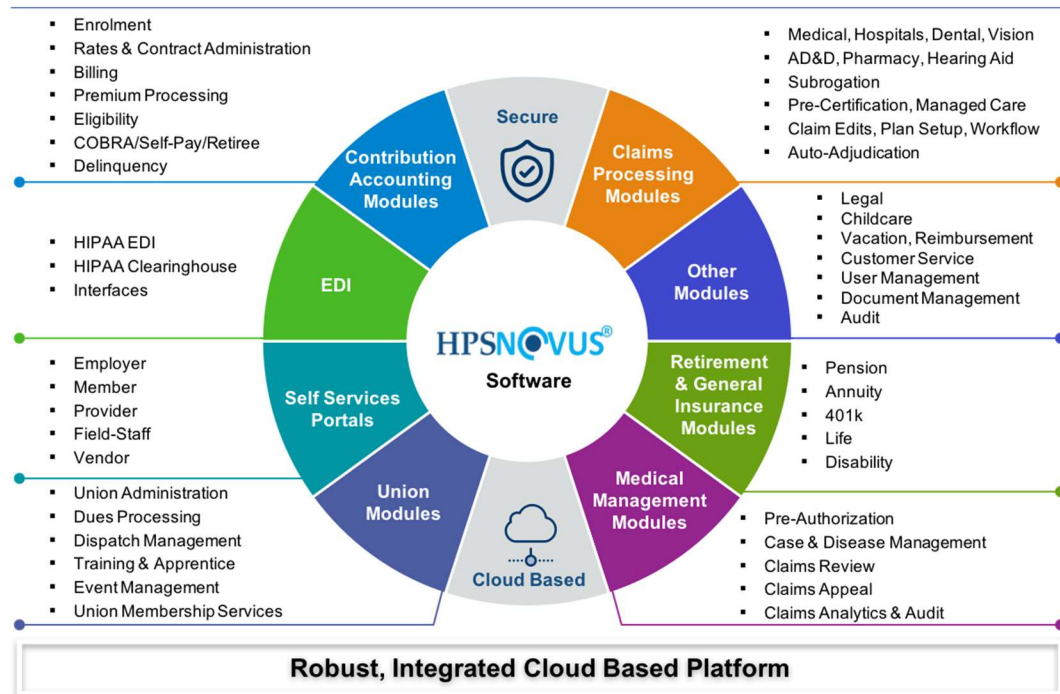
1. Reach more potential clients: The Company is planning to expand its sales and business development team achieved significant growth in the coming years. Adding to the sales team will unleash a new round of organic growth for the HPS NOVUS platform.
2. Acquisitions: Look for strategic opportunities to increase its current market share within the healthcare and insurance sectors by acquiring competitors.

HPS NOVUS – Software Platform

HPS NOVUS is a fully integrated and extensible platform of health and benefits administration, including insurance plan design, claim processing, recording keeping and more. The platform was built with a modular approach that provides an extensible and scalable solution for all services related to insurance and benefits. HPS NOVUS ensures that an organization or a TPA fully automates every aspect of its insurance claims administration by bringing everyone from the employee to the insurer onto a single platform.

HPS NOVUS is compliant with the US Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) standards, as well as the US Health Information Technology for Economic and Clinical Health Act (“HITECH Act”). All data and communication on HPS NOVUS are encrypted.

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Sterling MM – Clinical Utilization Services

Sterling MM provides a comprehensive medical management program and it specializes in using modern technical tools, such as Electronic Data Interchange (“EDI”), with confidentiality and security features mandated by HIPAA and the HITECH Act. Sterling MM services are managed by physicians and nurses with over 60 years of experience in healthcare management and administration. Sterling MM’s platform can serve as primary service provider or as a sub-contracted service provider for another TPA service provider. Sterling MM is URAC (Utilization Review Accreditation Commission) accredited for Health Utilization Management and has been managing healthcare in partnership with payers since 1995.

Services provided by Sterling MM follow the following steps:

1. Pre-certification review (by phone, fax or secure online portal) and approval for elective hospitalizations. The program relies upon standardized criteria to conduct review for inpatient care and medical policies and clinical guidelines for use in both inpatient and outpatient services.
2. Retrospective review of all cases that were not pre-authorized in a timely fashion, including emergency admissions.
3. Plan design consultation by experience medical staff for insurance companies and self-insured welfare funds. Sterling MM’s staff help determine medical necessity to cover or not cover services and also help determine appropriate fees for procedure codes. Outpatient services will review for a specific list of outpatient services as determined by the insurer. A medical review and analysis of services is also conducted.
4. Discharge planning is coordinated along with the discharge coordinator for the hospital and the patient or family for care after discharge.
5. Sterling MM will also determine if there is a need for case management services and initiate case management where necessary.
6. Claims audits are conducted prior to payment to avoid over payment, or post-payment recovery. All transactions are electronic and turn-around time can be done as quickly as in one business day.
7. Sterling MM’s nursing staff conduct review of continued stays for inpatient care on a daily basis after admission.

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LionGen – TPA Services

LionGen is a licensed TPA in the US and has experience running TPA's on HPS NOVUS with great service efficiency. The Company is seeking a target TPA acquisition pipeline to integrate the highly fragmented market where currently no TPA has more than a 5% share.

LionGen is a TPA that manages different functions of benefits such as: claims processing, utilization review and membership functions, including the processing of retirement plans and flexible spending accounts. For self-funded entities, LionGen administers: medical/dental provider networks, stop loss insurance, pharmacy benefit manager, medical management, voluntary benefits and more.

Licensing

The Company licenses its healthcare administrative software, HPS NOVUS, to customers, providing customization to the core software, ongoing maintenance services and consulting services therein. The Company's customers include: unions, union funds, self-insured funds, insurance companies, TPAs, hospitals, doctors, dentists and practitioners, and healthcare consumers. The licensing of core software involves a multiple-element arrangement consisting of delivery of a core license, customizations and installations of modules, and subsequent maintenance services (such as telephone consulting, product updates and releases of new versions of products previously purchased by the customer, as well as error reporting and correction services).

Claims Processing and Related Services

CHS provides claims processing and related services, such as consulting, implementation and training.

Technology Initiatives

The company has currently undertaken several major technological initiatives to improve functionalities of NUVOS 360, user friendly customer interface and improve implementation and reengineering time for new customers. The major projects undertaken in this regard are as follows:

Theme	Initiatives
Multi-Tenant Foundation	Multi-Tenancy Implementation; AWS Landing Zone & Standard SSO Pattern; Multi-VPC AWS Architecture with Workflow Orchestration
Microservices & Container Architecture	.NET Core Microservices Architecture; Containerised PostgreSQL Data Tier; Testing Automation Framework; Build & Release Automation (PMS Tools)
Onboarding Enablers	Standard User Provisioning Template; AWS Implementation Checklists; Reference Architecture Separation
Security, Privacy & Regulatory Posture	ISO 27001; 23 NYCRR Part 500 / HIPAA Compliance Framework; VAPT Remediation Cycle; AI Governance Framework; DPDP Act Readiness
Intelligence & Differentiation	AI Integration into NOVUS

Taken together, these initiatives are structured so that onboarding a new client becomes progressively less dependent on bespoke engineering effort and progressively more a matter of applying a standard, validated pattern — which is the core operating economics of a multi-tenant platform business.

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Sales and Marketing Initiatives

During the year 2025 the Company added three major customers under its fold. One of the Key Customers have signed contract in excess of \$ 8M over next 5 years. The company is poised for rapid growth in its operation in the coming years and have undertaken the following Marketing and Sales initiatives:

- Implement multi-channel targeted outreach
- Expand existing Marketing and Sales team and Marketing Support team
- Leverage AI driven Digital Marketing Program to generate targeted leads
- Expand conference participation and explore new opportunities
- Strengthen relationship with key influencing consultants
- Renew existing client agreements with focus on price management
- Explore new sales opportunities in the existing client base

Reverse Takeover and Listing Transaction

On December 7, 2020 and as amended on May 20, 2021, Greenstone Capital Corp. (“Greenstone”) and CHS entered into a merger agreement to complete a reverse takeover transaction (the “Transaction”). The Transaction was closed on December 29, 2021.

Results of Operations – Twelve months ended December 31, 2025

	December 31, 2025	December 31, 2024	Percentage change
Revenue	4,120,623	3,769,182	9%
Cost of revenue	1,682,606	1,707,175	-1%
Gross Profit	2,438,017	2,062,007	
Gross Profit %	59%	55%	
Operating Expenses excluding Depreciation	3,517,507	2,641,762	33%
General and administrative	1,934,816	1,759,583	10%
Research and development	757,586	515,926	47%
Selling	575,500	351,496	64%
Share Based Payment	249,605	14,757	1591%
EBIDTA	(1,079,490)	(579,755)	86%
Depreciation and Amortization	(110,605)	(399,882)	-72%
Interest and Finance charges	(394,667)	(329,831)	20%
Other income (Expense)	119,516	701,743	-83%
Loss on Conversion of Convertible Debt	(679,514)	-	
Net Loss and Comprehensive Loss	(2,144,760)	(607,725)	253%

The net loss for the year is high due to losses booked in the financial to align certain accounting practices with IFRS standard. A reconciliation of normal losses and reported losses are as follows:

Net Loss and Comprehensive Loss	(2,144,760)
Add: Revenue deferred for ongoing projects where invoicing and collections completed	464,000
Add: Loss on conversion of Debt to equity where equivalent gains are shown against equity	679,514

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Add: Reserve created for RSU's to employees and directors to be vested during 2026	249,605
Operating loss for the year 2025	(751,641)

Revenue and Costs of Revenue

During the twelve months ended December 31, 2025, the Company generated revenue of \$4,120,623 (2024 - \$3,769,182). The recorded revenue is 9% higher compared to revenue of 2024 after deferring \$464,000 revenue to the following year. The revenue would have grown by 22% without considering the deferment.

During the twelve months ended December 31, 2025, the Company incurred costs of revenue of \$1,682,606 (2024 - \$1,707,175). The gross margin has improved from 55% during 2024 to almost 59% during 2025. The improvement was primarily due to rationalizing software development and maintenance expenses and increase in revenue by 9%.

Operating expenses excluding depreciation

During the twelve months ended December 31, 2025, the Company incurred operating expenses excluding depreciation of \$ 3,517,507 (2024 - \$2,641,762) which is 33% higher compared to the previous year. The primary reason for increase in operating expense is creating a share-based compensation reserve to employees, directors and key management people where the shares shall be vested during the year 2026. There is also 47% increase in Research and Development activities and 64% increase in Selling expenses.

General and administrative expenses increased by 10% to \$1,934,816 (2024 - \$1,759,583) during the twelve months ended December 31, 2025. The increase is due to change in salary compensation and nominal increase in other cost during the year 2025. The increase of 10% can be compared against 22% increase in invoicing compared to the previous year.

Research and development expenses increased by 47% at \$757,586 (2024 - \$515,926) during the twelve months ended December 31, 2025. The increase is due to servicing large sized new contracts which the company acquired during 2025. Revenue of \$464,000 is deferred for considering as income during 2026 after completing customization of the new projects. However, the company has hired new R&D resources to service the new customers cost of which are recorded during 2025.

Selling expenses increased from \$351,496 during 2024 to \$575,500 during the twelve months ended December 31, 2025. This increase of 64% was due to increase in participation in conferences, travel expense, business promotion expenses, sales commission and other marketing activities.

During 2025, the Company granted 1,190,007 RSU's to its employees, directors and senior management personnel. The RSU's shall be vested during 2026. The reserve created shall be added to equity on vesting of the RSU's. The company also offered 50,000 stock options to one of its consultants and a reserve is created for the same. Total reserve created on account of the above two activities is \$249,605 (2024-\$14,757).

Depreciation and amortization expenses has reduced to 72% during 2025 compared to the same during 2024. The company has leased three new premises at lower cost and terminated/vacated lease of two high-cost premises resulting in lower amortization cost. The effect of this relocation will be reflected during the future years as well.

Interest and finance charges for 2025 was \$ 394,667 (2024 - \$329,831) 20% higher than the previous year. The increase is due to computing full year interest during 2025 for the loans taken during the second half of 2024.

During the year ended December 31, 2025, the Company issued 5,546,945 common shares to convert \$289,130 due to various creditors (including \$208,285 to related parties) and \$324,284 of principal and accrued interest of convertible notes. The difference between the market value on the date of conversion (CAD 0.32 per share) and the value of the loan extinguished by issuance of equity (CAD 0.15 per share) are booked in the Comprehensive Statement of Profit and Loss as Loss on Conversion of Convertible Debt and equivalent amount is added to equity.

Results of Operations – Three Months Ended December 31, 2025

	Q4, 2025	Year-end adjustments	Q4, 2025 without year-end adjustments	Q4, 2024
Revenue	911,852	464,000	1,375,852	947,244
Cost of revenue	524,191	-	524,191	420,530
Gross Profit	387,661		851,661	526,714
Gross Profit %	43%		62%	56%

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Operating Expenses excluding depreciation

	1,436,483	-	1,186,878	960,603
General and administrative	600,122	-	600,122	579,850
Research and development	375,138	-	375,138	209,149
Selling	211,618	-	211,618	156,847
Share Based Payment	249,605	(249,605)	-	14,757
EBIDTA	(1,048,822)	-	(335,217)	(433,889)
Depreciation and Amortization	(45,234)	-	(45,234)	66,255
Interest and Finance charges	(64,742)	-	(64,742)	(129,452)
Other income (Expense)	93,484	-	93,484	(230,401)
Loss on Conversion of Convertible Debt	(679,514)	679,514	-	-
Net Loss and Comprehensive Loss	(1,744,828)	1,393,119	(351,709)	(727,487)

The Company incurred a net loss of \$1,744,828 (2024 - \$727,487). The increased loss during Q4 2025 was due to revenue of \$464,000 deferred to the year 2026, recognising loss of \$679,514 due to conversion of Debt to equity and creating reserve of \$249,605 for share-based payments. The operating result for the company should be a loss of (\$351,708) without the extraordinary charges in the P&L.

Revenue and Costs of Revenue

The actual revenue earned for the quarter without deferment was \$1,375,852 which is 45% higher than the previous year.

During the three months ended December 31, 2025 the Company incurred costs of revenue of \$524,191 (2024 - \$420,530). The gross profit during Q4 2025 remains at 43%. However, against adjusted revenue of \$1,375,852 the gross margin becomes 62%.

Operating expenses excluding depreciation

During the three months ended December 31, 2025, the Company incurred operating expenses excluding depreciation of \$1,436,483 (2024-\$960,603). The increase in operating cost for Q4 2025 is contributed by creation of a share-based payment reserve of \$249,605. Without the extraordinary item total operating expense excluding depreciation for the company is \$1,186,878 which is 24% higher compared to Q4, 2024.

General and administrative expenses incurred during 2025 was \$600,122 (2024 - \$579,850) which is 3% higher compared to the same cost during Q4, 2024.

Research and development costs incurred during Q4 2025 was \$375,138 (2024 - \$209,149) showing an increase of 79% over Q4, 2024. The increased cost is to service a large client added during Q4, 2025 for which revenue recognition is deferred to 2026.

Selling expenses incurred during Q4, 2025 was \$211,618 (2024 - \$156,847) was 35% higher compared to Q4, 2024. The increased cost is due to participation in conferences and related travel expenses.

During the three months ended 2025, the Company incurred \$249,605 (2024-\$14,757) as share-based payment for creating reserve for RSU's and stock options.

Reduction of liabilities

During the year 2025 the company has reduced its accounts payable and accrued liability by \$416,578 and reduced convertible debt by \$210,079 compared to the previous year. The Company has continued to address past liabilities and expects significant improvements in reducing those during 2026. On February 2, 2026, the Company entered into a Forbearance Agreement ("the 2026 Amendment") with the lender of the Term Loan for total payment of \$290,000 to settle the loan that was recorded at USD \$ 1,329,134.

Total payments of \$290,000 are required and are scheduled as follows:

- (i) a payment of \$25,000 on or before February 15, 2026, followed by

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- (ii) 30 monthly installments of \$8,833 each, payable on or before the last day of each month commencing March 2026. The forbearance period extends through the date of the final scheduled installment, being August 2028. The Company may prepay any or all installments prior to their contractual due dates.

The Company is paying the dues as per the abovementioned forbearance agreement and expects that it would target to pay the outstanding amount during the year 2026 to settle and remove this liability from its balance sheet.

Summary of Quarterly Results

The following table provides selected quarterly financial data for the most recently completed quarters:

Particulars	Three months ended							
	Dec. 31, 2025	Sep. 30, 2025	Jun. 30, 2025	Mar. 31, 2025	Dec. 31, 2024	Sep. 30, 2024	Jun. 30, 2024	Mar. 31, 2024
Revenue	911,852	1,121,912	1,041,535	1,045,324	947,244	981,805	896,953	943,180
Net loss for the period	(1,744,828)	(175,500)	(69,331)	(155,103)	(727,487)	456,095	(180,602)	(155,733)
Earnings (loss) per share	(0.146)	(0.010)	(0.1)	(0.02)	(0.12)	0.08	(0.02)	(0.02)

Summary of Results During Quarters

The Company incurred a higher net loss during the three months ended December 31, 2025 in comparison to the three months ended December 31, 2024. The increased loss during Q4 2025 was due to revenue of \$464,000 deferred to the year 2026, recognising loss of \$679,514 due to conversion of Debt to equity and creating reserve of \$249,605 for share-based payments. The operating result for the company should be a loss of (\$351,708) without the extraordinary charges in the P&L. If not for \$464,000 being deferred to the year 2026, revenue in Q4 would have been approximately US\$ 1.375 million, a significant increase from the Q4 revenue in 2024.

Liquidity and Capital Resources

The accompanying condensed consolidated financial statements have been prepared on a basis that contemplates the realization of assets and the satisfaction of liabilities and commitments in the normal course of business. The Company

anticipates that it will have sufficient resources to meet the working capital requirements for next 12 months. This assessment is based on the Company's current cash position, as well as the net proceeds of the equity and debt financings the Company has received during Q1 2026. The Company raised approximately US\$ 2.8 Million, net of financing costs, during the months of February and April 2026 and plans to utilize the recently raised capital to pay down some existing liabilities as well as to accelerate and scale its operations and growth during 2026.

During the twelve months ended December 31, 2025, the Company had a working capital deficit of \$6,384,922 (December 31, 2024- \$6,230,066).

Cash Flows

Historically and prospectively, the Company's primary source of liquidity and capital resources has been and will continue to be proceeds from operations, debt and equity financing.

Based on its current level and expected results of operations over the next 12 months, the Company believes that cash generated from operations, cash on hand and recently raised capital, will be adequate to meet anticipated liquidity requirements, capital expenditures and working capital needs for the next 12 months.

The Company's future operating performance and its ability to service its debt will be subject to future economic conditions and to financial, business and other factors, many of which are beyond its control. See "Financial Instrument Risk Management" of this MD&A for a discussion of the risks related to our liquidity and capital structure.

As at December 31, 2025, the Company had cash balance of \$39,951 (December 31, 2024 - \$7,671). The Company raised approximately US\$ 2.8 Million, net of financing costs, during the months of February and April 2026.

Net cash used from operating activities for the twelve months ended December 31, 2025 was \$711,125 (2024: -\$366,799).

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The Company is likely to generate positive cash flows from its operating activities due to higher revenue and strict operational cost management. However, for future growth the company will need to invest significantly in marketing and business development activities and upgrade its IT systems and infrastructure. The company has received investment of \$2,861,269 during Q1, 2026 to maintain adequate liquidity and fund its future growth.

Net cash used in investing activities for the twelve months ended December 31, 2025 was -\$96,120 (2024 - \$628,007) which is related to expenditures on new equipment and addition of new lease premise.

Net cash provided by financing activities for the twelve months ended December 31, 2025 was \$839,525 (2024 - \$245,070) which is due to private placement of shares amounting to \$836,141.

Other Factors Affecting Liquidity

The Company may also raise additional equity or debt capital or enter into arrangements to secure necessary financing to fund the completion of development projects, to meet obligations or for the general corporate purposes of the Company. Such arrangements may take the form of loans, strategic agreements, joint ventures or other agreements. The sale of additional equity could result in additional dilution to the Company's existing stockholders, and financing arrangements may not be available to the company, or may not be available in sufficient amounts or on acceptable terms.

From time to time, the Company may pursue various strategic business opportunities. These opportunities may include proposed development and/or management of investment in or ownership of additional businesses through direct investments, acquisitions, joint venture arrangements and other transactions. The Company can provide no assurance that it will successfully identify additional opportunities or that, if it does identify and pursue existing opportunities, any of them will be consummated.

Contractual Commitments:

During the year ended December 31, 2020, the Company received a \$159,900 Covid-19 Economic Injury Disaster Loan through the U.S. Small Business Administration. The loan bears interest at a rate of 3.75% per annum and accrues only on funds actually advanced from the date of each advance. Payments on the loan are deferred for 30 months following receipt of the loan at which time minimum monthly payments of \$731 are required. During the year ended December 31, 2025, total interest expense of \$8,774 (2024 - \$8,719) was recognized in the consolidated statement of operations and comprehensive loss. The balance of principal and interest on the loan is payable over 30 years from receipt. Loan proceeds are to be used

towards funding working capital and normal operating expenses. The loan is secured by general business assets of the Company as set out in the Uniform Commercial Code. As at December 31, 2025, the carrying value of the loan was \$66,850 (December 31, 2024 - \$66,848).

During the year ended December 31, 2023, the Company received \$252,000 loan from the Company's CEO at an interest rate of 12% and maturity date of March 31, 2024. During the year ended December 31, 2024, the terms of the loan were modified by increasing the interest rate to 18% and extending the maturity date to December 31, 2024. The changes in the terms of the loan did not result in a substantial modification and a loss from the change in the loan was nominal. During the year ended December 31, 2025, a part of the loan amounting to \$53,444 was converted into equity shares. At December 31, 2025, the loan had an outstanding balance of \$315,339 (December 31, 2025 - \$316,665). Total interest expense for the year 2025 was \$53,444 (2024 - \$48,305) was recognized in the consolidated statement of operations and comprehensive loss. As at the date of these consolidated financial statements were approved for issuance, the loan was not repaid. Subsequent to year-end the loan was extended for a further term of one year with a maturity date of December 31, 2026.

In July 2024, the company has issued a convertible note at gross proceeds of \$ 200,000. The note bears an interest at 18% per annum and matures on July 31, 2026. The note can be converted at a discretion of the note holder into common shares of the Company at 20% discount of the market price of the Company's common share on the date of conversion. The Company is accreting the host loan to its face value using effective interest rate of 35.68%. During the year ended December 31, 2025, a part of the loan amounting to \$149,642 was converted into equity shares. As at December 31, 2025, the carrying amount of the loan is \$73,850 (December 31, 2024 - \$175,004).

In September 2024, the company has issued a convertible note at gross proceeds of \$ 200,000. The convertible note was issued to a related party. The note bears an interest at 18% per annum and matures on September 30, 2026. The note can be converted at a discretion of the note holder into common shares of the Company at 20% discount of the market price of the Company's common share on the date of conversion. The Company is accreting the host loan to its face value using effective interest rate of 34.75%. During January 2025 a further sum of \$100,000 received from the investor and during March 2025

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a sum of \$125,000 was repaid to the investor. During the year ended December 31, 2025, a part of the loan amounting to \$149,642 was converted into equity shares. As at December 31, 2025, the carrying amount of the loan is \$60,424 (December 31, 2024 - \$169,348).

During the year ended December 31, 2025, the company has entered into a lease agreement for renting premises located in Chennai India. Monthly rental for the premises is \$3,476.

The head office of the company is located at 515 Plainfield Ave, Suite 103, Edison, New Jersey, 08817. The monthly lease rental for this premises is \$6,197 and the lease is likely to continue till June 2029 with annual increase of 3% in lease rentals.

The company has entered into another lease agreement for the premises located at 742 Old post Rd. Edison NJ 08817. The monthly lease rental for this premises is \$ 1,667 and the lease is likely to continue till February 2027 with annual increase of 4% in lease rentals.

Related Party Transactions

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers.

The Company had the following key management personnel and related companies as of December 31, 2025:

Key Management Personnel and Related Companies:

Chris Cosgrove	Chief Executive Officer and Director
Indranil Chowdhury	Chief Financial Officer
Sushmitha Chowdhury and Co	Company controlled by Officer and Directors
Vikas Ranjan	Director
Radiant Hues Consultancy services	Company controlled by Director
Fiona Gupta	Medical Director
Hunch Circle	Company controlled by Director
Kapsan Consultants	Company controlled by Officer
Peter Raj Kapoor	Chief Operating officer
AAKB	Company controlled by Director
Vans Gypsum Private Limited	Company controlled by Officer
Karanpal Singh	Major Investor of Hunch Ventures
Nameh Hotels and Resorts Private Limited	Company controlled by Karanpal Singh
Hunch Ventures (Mauritius) Private Limited	Company controlled by Karanpal Singh

Expenses incurred on directors and key management personnel during the year ended December 31, 2025 & 2024 are as follows:

Amount due to directors and key management personnel:

	December 31, 2025	December 31, 2024
Salaries and benefits	288,000	211,055
Consulting fees	175,970	128,179
Director fees and Bonus	322,000	400,000
Expense Reimbursement	95,619	25,479
Rent	48,153	-
Management fee	100,000	-
Interest on Loan	85,270	65,887
Share based payment	158,618	11,078
Software development charge	192,112	-
	1,465,742	841,678

Related party loans including accrued interest from related parties amounting to \$524,057. Amount due to directors and key management personnel are accumulated dues over a period of 4 years.

Critical Accounting Estimates and Judgments

The preparation of condensed consolidated interim financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed consolidated interim financial statements and reported amounts of revenues and expenses during the reporting period. Actual outcomes could differ from these estimates, and as such, the estimates and underlying assumptions are reviewed on an ongoing basis. Significant accounting estimates and judgments are outlined in Note 3 to the December 31, 2025 audited consolidated financial statements.

Changes in Accounting Policies including Initial Adoption

Initial adoption of new accounting standards

No new accounting standards were adopted during the twelve months ended December 31, 2025. The Company's existing accounting policies are outlined in Note 3 to its December 31, 2025 audited consolidated financial statements.

Financial Instrument Risk Management

Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

All Company's financial assets and financial liabilities are subsequently measured at amortized cost. The carrying value of the Company's financial assets and liabilities classified at amortized cost as at December 31, 2025 and December 31, 2024 approximate their fair value due to their short terms to maturity.

The carrying value of debt where interest is charged at a fixed rate is not significantly different from the fair value. The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

Financial instruments which are potentially subject to credit risk for the Company consist primarily of cash and trade accounts receivable and contract asset. The Company limits its exposure to credit loss on cash by placing its cash with a high-quality financial institution. The Company mitigates its credit risk on receivables by actively managing and monitoring its receivables. The Company mitigates credit risk by evaluating the creditworthiness of customers prior to conducting business with them and monitoring its exposure for credit losses with existing customers. Accounts receivable and contract asset are shown net of any provision made for impairment. Due to this factor, the Company believes that no additional credit risk, beyond amounts provided for collection loss, is inherent in accounts receivable and contract asset.

Expected credit loss ("ECL") analysis is performed at each reporting date using an objective approach to measure expected credit losses. The provision amounts are based on direct management interface with the customer. The calculations reflect the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Account receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, business failure, the failure of a debtor to engage in a repayment plan, and a failure to make contractual payments over the negotiated contract period.

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The Company's aging of trade receivables was as follows:

	December 31, 2025	December 31, 2024
0 – 30 days	343,221	200,204
31 – 60 days	-	-
61 – 90 days	8,958	963
Over 90 days	1,093	-
	353,272	201,167

The Company applies a direct customer analysis approach to measure expected credit losses. The Company assesses the collectability of receivables of each customer on an individual basis using quantitative and qualitative information available to management. The historical loss rates are adjusted to reflect the current and forward-looking information on economic factors affecting the ability of the customers to make regular monthly payments on the receivables.

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 has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis.

Historically, the Company's primary source of funding has been the issuance of equity securities for cash, primarily through the issuance of preferred shares. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

The following is an analysis of the contractual maturities of the Company's financial liabilities as at December 31, 2025:

	Within one year	Between one and five years	More than five years
Accounts payable and accrued liabilities	3,718,541	-	-
Term loan	1,329,134	-	-
Lease liabilities	529,910	269,390	-
SBA loan	8,772	43,860	14,218
Convertible Notes	154,984	-	-
Related party loan/ Advances	463,634	-	-
	6,114,636	264,501	14,218

The company believes that several items included at face value under Accounts payable and accrued liabilities will be negotiated down.

Foreign currency risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is exposed to currency risk on its U.S. dollar accounts payable balances and its subsidiary's Canadian dollar accounts payable, debentures and bank account.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The recent borrowings of the company from related and unrelated parties carries an interest rate of 18% per annum., a 1% change in the interest rates may affect the net loss of a company by \$4,042.

Capital Management

In the management of capital, the Company includes components of stockholders' equity. The Company aims to manage its capital resources to ensure financial strength and to maximize its financial flexibility by maintaining strong liquidity and by utilizing alternative sources of capital including equity, debt and bank loans or lines of credit to fund continued growth. The Company sets the amount of capital in proportion to risk and based on the availability of funding sources. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. Issuance of equity has been the primary source of capital to date. Additional debt

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and/or equity financing may be pursued in future as deemed appropriate to balance debt and equity. To maintain or adjust the capital structure, the Company may issue new shares, take on additional debt or sell assets to reduce debt.

The company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than the TSX Venture Exchange which requires adequate working capital or financing resources of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months.

Management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended December 31, 2025. There are no external restrictions on the management of capital.

Share Capital

During Q1, 2025 the company issued 6,200,000 common shares on private placement basis for a net consideration of \$836,141.

The company also consolidated its share capital into 20:1 ratio during the year and post consolidation converted debt due to related parties and others amounting to \$594,316 into 5,546,945 equity shares. The company also recognized \$679,514 loss on debt conversion due to change in fair of the shares on the date of actual conversion.

As at December 31, 2025, there were 17,948,120 (December 31, 2024 – 6,201,175) common shares issued and outstanding.

The company granted 1,190,007 RSU's to its employees, directors and senior management. The RSU's to be vested during 2026. It also issued 50,000 options to one of its consultants at CAD 0.54 to be exercised before June 24, 2028. \$249,605 reserve was created in the accounts for the RSUs and options as share-based payment reserve by debiting Statement of Comprehensive Profit and Loss.

Commitments and Contingencies

The Company is currently in Arbitration court with a former vendor related to a breach of contract. The company's position is that the claims from the former vendor do not have any merit.

Subsequent Events

Subsequent to year-end, the Company completed a private placement for gross proceeds of \$2,861,269.

Subsequent to year end, the Company entered into a forbearance agreement with its lender (the "2026 Amendment"). Under the terms of the 2026 Amendment, total payments of \$290,000 are required and are scheduled as follows:

- (i) A payment of \$25,000 on or before February 15, 2026, followed by
- (ii) 30 monthly installments of \$8,833 each, payable on or before the last day of each month commencing March 2026. The forbearance period extends through the date of the final scheduled installment, being August 2028. The Company may prepay any or all installments prior to their contractual due dates

In addition, pursuant to the 2026 Amendment, the Company is required to issue to the lender 27,578 common shares, free and clear of all liens, claims, and encumbrances, subject to applicable regulatory approval. In lieu of issuing the common shares, the Company may elect to pay \$9,928, calculated at USD \$0.36 (CAD \$0.50) per share.

Management's Responsibility for Financial Statements

The Company's management is responsible for presentation and preparation of the financial statements and the MD&A. The MD&A have been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators.

The financial statements and information in the MD&A necessarily include amounts based on informed judgments and estimates of the expected effects of current events and transactions with appropriate consideration to materiality. In addition, in preparing the financial information, we must interpret the requirements described above, make determinations as to the relevancy of information included, and make estimates and assumptions that affect reported information.

The MD&A also includes information regarding the impact of current transactions and events, sources of liquidity and capital resources, operating trends, risks and uncertainties. Actual results in the future may differ materially from our present assessment of this information because future events and circumstances may not occur as anticipated.

Management's Report on Disclosure Controls and Procedures and Internal Control Over Financial Reporting

Management of the Company, under the supervision of the Chief Executive Officer and the Chief Financial Officer, is responsible for the design and operations of internal controls over financial reporting. There have been no changes in the Company's disclosure controls and procedures for the three and twelve months ended December 31, 2025.

The Company's management is responsible for establishing and maintaining adequate internal controls over financial reporting and the preparation of financial statements in accordance with generally accepted accounting principles. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

There have been no changes in the Company's internal control over financial reporting during the three and twelve months ended December 31, 2025, that have materially affected, or are reasonably likely to materially affect, its internal controls over financial reporting.

Limitations of Controls and Procedures

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that any disclosure controls and procedures or internal controls over financial reporting, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, they cannot provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been prevented or detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by unauthorized override of the control. The design of any systems of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.