Nova Leap Health Corp.

Management Discussion & Analysis
For the three and six months ended June 30, 2026 and 2025

NOVA LEAP HEALTH CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2026

BACKGROUND

This Management's Discussion and Analysis ("MD&A") of Nova Leap Health Corp. ("Nova Leap" or "the Corporation"), together with its subsidiaries (the "Group"), is dated August 7, 2026 and provides an analysis of the Corporation's operations for the three and six months ended June 30, 2026 and 2025. This MD&A should be read in conjunction with the Unaudited Condensed Interim Consolidated Financial Statements for the three and six months ended June 30, 2026 and 2025 and the Audited Consolidated Financial Statements for the years ended December 31, 2025 and 2024 which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). All amounts are in United States dollars ("USD") unless otherwise specified. The Consolidated Financial Statements and additional information relating to Nova Leap are available on the Canadian System for Electronic Document Analysis and Retrieval ("SEDAR+") at www.sedarplus.com under the Corporation's profile. The common shares of Nova Leap are traded on the TSX Venture Exchange under the symbol NLH and the over-the-counter market (OTCQX) in the United States under the symbol NVLPF.

CORPORATION OVERVIEW

Nova Leap is an acquisitive home health care services corporation operating in one of the fastest-growing industries in the United States and Canada. The Corporation provides a range of community-based health care services designed to support individuals across the continuum of care, with an individual and family-centered focus, particularly for seniors and those requiring dementia and complex care support. The Corporation is geographically diversified with operations in the New England, Southeastern, South Central and Midwest regions of the United States, as well as in Nova Scotia, Canada. In Canada, the Corporation generally operates under the Earth Angels Home Care brand, while in the United States it generally operates under the Nova Leap Home Health brand.

The Corporation delivers services through an integrated care model that includes traditional home care, care management, and palliative care services. These offerings enable the Corporation to support clients with varying levels of acuity, from assistance with daily living to coordination of complex care needs and end-of-life support. By expanding its service platform beyond traditional home care, Nova Leap is positioned to support clients and families across multiple stages of care while strengthening relationships with referral partners and healthcare providers.

Home care saves patients and taxpayers billions of dollars every year by treating clients in their own homes instead of in hospitals. An aging population, the prevalence of chronic disease, growing physician acceptance of home care, medical advancements and a movement toward cost-efficient treatment options from public and private payers have all fostered industry growth. Nova Leap is focused on a highly fragmented market of small privately held companies providing clients individualized care in their homes, facilities, or hospices.

The Corporation has expanded its service platform to include Care Management and Palliative Care services, further strengthening its position within the continuum of care. Care Management services focus on comprehensive assessment, individualized care planning, and coordination of medical and community services, supporting improved care continuity and client outcomes. Palliative Care services provide comfort-focused, family-centered support for individuals living with serious or life-limiting illness, delivered in collaboration with families and healthcare providers. These complementary offerings enhance Nova Leap's ability to serve higher acuity clients, deepen referral relationships, increase average revenue per client, and support improved client retention, while aligning with healthcare system priorities emphasizing coordinated, home-based and community-based care. The service platform expansion remains at an early stage, and future financial contribution will depend on client demand, recruitment of qualified personnel and successful execution.

Nova Leap's post-acquisition organic growth strategy is to increase adjusted annual earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA", see definition in *Use of Non-IFRS Accounting Standards and Other Financial Measures*) per location through a combination of increased employee investment, including training, focused sales and marketing efforts, billing rate increases, expansion of geographical coverage, improved referral sources and implementation of efficiencies in payroll, scheduling, billing and human capital. The Corporation intends to continue its growth strategy through acquisitions, while pursuing organic growth opportunities and implementing operational efficiencies in existing operations.

The Unaudited Condensed Interim Consolidated Financial Statements and MD&A include the accounts of the Corporation and its U.S. and Canadian subsidiaries. The registered head office of the Corporation is located at 3006-7071 Bayers Road, Halifax, NS, Canada.

DATES OF ACQUISITION

The consolidated results include the results for the periods ended June 30, 2026 and 2025 for Nova Leap and its subsidiaries and the results of each acquired business from its respective acquisition date. Results for the periods ended June 30, 2026 and 2025 therefore include the January 20, 2025, May 5, 2025, and May 1, 2026 Nova Scotia acquisitions from those dates.

SELECTED FINANCIAL INFORMATION

	Three months ended June 30		Six months ended June 30	
	2026	**2025**	**2026**	**2025**
	$	**$**	**$**	**$**
Service revenues	**9,393,302**	8,021,072	**17,245,196**	15,114,696
Income from operating activities	**754,667**	350,439	**1,045,909**	425,591
Add: Amortization and depreciation	**178,763**	208,890	**327,582**	405,643
Add: Stock-based compensation	**21,406**	18,578	**42,653**	35,733
Adjusted EBITDA(1)	**954,836**	577,907	**1,416,144**	866,967
Net income (loss)	**649,977**	(484,008)	**974,564**	(562,307)
Net income (loss) per share – basic and diluted	**$0.007**	($0.006)	**$0.011**	($0.006)
Total assets	**25,795,977**	23,591,519	**25,795,977**	23,591,519
Total current liabilities	**5,510,986**	4,098,953	**5,510,986**	4,098,953
Long-term financial liabilities	**867,101**	828,028	**867,101**	828,028

(1) Please see Use of non-IFRS Accounting Standards and other financial measures

USE OF NON-IFRS ACCOUNTING STANDARDS AND OTHER FINANCIAL MEASURES

This MD&A contains references to certain measures that do not have a standardized meaning under IFRS Accounting Standards as prescribed by the International Accounting Standards Board and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement IFRS measures by providing a further understanding of operations from management's perspective. Accordingly, non-IFRS financial measures should not be considered in isolation or as a substitute for analysis of financial information reported under IFRS Accounting Standards.

The Corporation believes these measures are frequently used by lenders, securities analysts, investors and other interested parties as a measure of financial performance, and it is therefore helpful to provide supplemental measures of operating performance and thus highlight trends that may not otherwise be apparent when relying solely on IFRS financial measures.

The Corporation uses the following non-IFRS financial measures:

- Adjusted EBITDA is calculated as income from operating activities plus amortization and depreciation and stock-based compensation expense. The most directly comparable IFRS measure is income from operating activities.
- Trailing twelve-month Adjusted EBITDA represents the aggregate of Adjusted EBITDA for the four most recently completed fiscal quarters. Management believes this measure provides useful information regarding the Corporation's ongoing earnings capacity by reducing the impact of seasonal fluctuations and is used in assessing leverage.
- Debt-to-trailing twelve-month Adjusted EBITDA leverage ratio is a non-IFRS ratio calculated as the principal outstanding on demand loans and promissory notes divided by trailing twelve-month Adjusted EBITDA. Management uses this ratio to assess financial leverage and debt capacity. This measure is presented for supplemental purposes only and should not be considered in isolation or as a substitute for IFRS Accounting Standards measures.

Reconciliation and Calculation of Trailing Twelve-Month Adjusted EBITDA and Leverage Ratio

	For the trailing twelve months ended June 30 2026 $
Income from operating activities	**1,726,315**
Add: Amortization and depreciation	**754,968**
Add: Stock-based compensation expense	**114,067**
Trailing twelve-month Adjusted EBITDA	**2,595,350**
Principal outstanding on demand loans and promissory notes	**3,532,747**
Debt-to-trailing twelve-month Adjusted EBITDA leverage ratio	**1.36 times**

FORWARD-LOOKING INFORMATION

Certain statements in this MD&A are forward-looking statements or information (collectively, "forward-looking statements"). Any statements that express, or involve discussions as to expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "will", "should", "could", "expects", "anticipates", "believes", "estimates", "intends", "plans", "projects", "predicts", "targets", "potential", "continue", "goals", "objective" and "outlook"), including statements regarding Nova Leap's business objectives and strategies, including those described under the headings "*Corporation Overview*", "*Operations Overview*" and "*Nova Leap's Strategy*", statements regarding future expansions and cost savings, plans regarding future acquisitions and business growth, expected recurring client service hours, expected cash flow projections, expectations for future financing activities and intentions relating to the payment of dividends, are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The assumptions on which these forward-looking statements are based include assumptions concerning general economic and market conditions, availability of working capital necessary for conducting Nova Leap's operations, and Nova Leap's ability to integrate its acquired businesses and maintain previously achieved service hour and revenue levels. Further, any forward-looking statement speaks only as of the date on which such statement is made and, except as required by applicable law, Nova Leap undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statements are made or to reflect the occurrence of unanticipated events. New factors emerge from time to time. While it is impossible to identify all such factors, factors that could cause actual results to differ, such as decreases in revenues or increases in costs, materially from those estimated by us include, but are not limited to the factors discussed in the "*Risks and Uncertainties*" section of this MD&A below and in Nova Leap's continuous disclosure materials filed from time to time on SEDAR+.

Any financial outlook or future-oriented financial information in this MD&A has been approved by management of Nova Leap as of the date of this MD&A. Such financial outlook or future-oriented financial information is provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that such outlook or information should not be used for purposes other than for which it is disclosed in this MD&A.

Q2 2026 Highlights

- During Q2, the Corporation reported the highest quarterly revenue and Adjusted EBITDA (See calculation of Adjusted EBITDA in "Segmented Information" below) in its history.
- Q2 2026 revenues of $9,393,302 increased by 17.1% relative to Q2 2025 revenues of $8,021,072. The increase in revenue is due to acquisitions completed in Q1 2025, Q2 2025 and Q2 2026 in addition to an increase in revenues from agencies owned prior to April 1, 2025.
- Trailing twelve-month revenues for the period from July 1, 2025 to June 30, 2026 were $33,597,305, the highest for any twelve-month period in the Corporation's history.
- Gross profit margin as a percentage of revenues was 40.3% in Q2 2026, slightly higher than 40.2% in Q2 2025.
- Q2 2026 Adjusted EBITDA of $954,836 increased by 65.2% from $577,907 in Q2 2025.

- Trailing twelve-month Adjusted EBITDA (see "Use of Non-IFRS Accounting Standards and Other Financial Measures") for the period from July 1, 2025 to June 30, 2026 was $2,595,350, the highest for any twelve-month period in the Corporation's history.
- Q2 2026 income from operating activities was $754,667 compared to $350,439 in Q2 2025. Income from operating activities was $1,045,909 for the six months ended June 30, 2026 compared to $425,591 for the same period in 2025.
- Net income was $649,977 and $974,564 for the three and six months ended June 30, 2026 as compared to net loss of $484,008 and $562,307 for the same periods in 2025.
- Cash flow from operating activities increased to $907,544 in Q2 2026 from $611,932 in Q2 2025.
- On May 1, 2026, the Corporation acquired the shares of a home care services company located in Nova Scotia, Canada. Under the terms of the agreement, the acquisition was for total consideration of CAD$3,500,000 of which CAD$3,200,000 was payable with cash on closing and CAD$300,000 by way of a promissory note repayable over a three-year period. The cash on closing was funded by way of a CAD$2,200,000 draw on the Corporation's acquisition debt facility with its lender and by CAD$1,000,000 of cash on hand.
- The Corporation had a cash balance of $1,441,635 as of June 30, 2026, as well as full access to the unutilized revolving credit facility of $1,055,595 (CAD$1,500,000).
- The Corporation had principal outstanding on demand loans and promissory notes as of June 30, 2026 of $3,532,747, representing a debt-to-trailing twelve-month Adjusted EBITDA ratio of 1.36x (see "Use of Non-IFRS Accounting Standards and Other Financial Measures").
- As of June 30, 2026, the Corporation had access to up to $3,050,000 in available credit through its existing credit agreement to support its long-term growth strategy.
- During June 2026, the Corporation opened a new office in Waltham, Massachusetts to serve the Greater Boston market, advancing the Corporation's growth strategy in Massachusetts.

NOVA LEAP'S STRATEGY

Nova Leap continues to execute a disciplined growth strategy focused on expanding its presence within the highly fragmented home health care industry in the United States and Canada. The Corporation's strategy combines targeted acquisitions with organic growth initiatives designed to enhance profitability, expand service capabilities, and strengthen its competitive position within the continuum of care.

Acquisition Strategy:

The Corporation remains focused on acquiring home and home health care companies and will consider opportunities in the United States and Canada where clients pay out of pocket, are covered through long-term care insurance programs or government programs such as Medicare or the Department of Veteran Affairs. Acquisition targets are evaluated based on geographic fit, historical performance, management depth, cultural alignment, payer mix, and opportunity for operational improvement. Nova Leap seeks businesses that provide stable cash flows and offer opportunities to enhance Adjusted EBITDA through integration, best practice implementation, expanded referral relationships, and cross-selling of complementary services. Achieving the Corporation's plans remains dependent on management's ability to operate cash flow positive subsidiaries, acquire profitable home and home health care businesses and to arrange financing to complete such acquisitions.

Post-acquisition, Nova Leap's strategy is to enhance all businesses and increase Adjusted EBITDA through the following:

- Enhancement of sales and marketing strategies;
- Implementation of efficiencies around payroll, scheduling, billing, accounting and human capital;
- Increased investment in staff and staff training;
- Expansion of services, partnerships and geographical coverage;
- In-State and in-Province organic expansion by increased office location footprint; and
- Enhancement of risk management policies.

Organic Growth and Strategy:

Organic growth remains a core priority across all operating locations. The Corporation continues to invest in caregiver recruitment and retention initiatives, leadership development, sales and marketing capabilities, referral source expansion, billing rate optimization, and geographic coverage expansion within existing markets. Management's focus is on increasing service hours, strengthening same-location growth, improving contribution margins, and enhancing local market density.

In addition to expanding services within existing branches, the Corporation intends to selectively open new offices in geographic areas where it already operates. These de novo locations are designed to increase market penetration, improve referral access, and enhance brand presence within established regions. By leveraging existing regional infrastructure, management oversight, and back-office support, the Corporation expects new offices within current markets to benefit from operational synergies and lower execution risk relative to entry into entirely new geographies. During 2025, the Corporation opened a new location in Lexington, Kentucky and in June 2026, opened a new location in Waltham, Massachusetts to serve the Greater Boston market.

Expansion of Care Continuum Services:

In 2026, the Corporation expanded its service offering beyond traditional home care through the introduction of care management and palliative care services. These services reflect Nova Leap's strategy of broadening its role across the continuum of care by providing higher-value, client-centered offerings that respond to evolving patient, family and referral partner needs.

Care management services are intended to support clients and families in navigating complex care needs through assessment, care planning, coordination of services, and ongoing oversight. This service enhances Nova Leap's ability to provide more personalized support to clients who require assistance beyond scheduled home care visits and strengthens the Corporation's relationships with clients, families and community referral sources.

Palliative care services expand the Corporation's capacity to support clients with serious illness and end-of-life needs through compassionate, coordinated care delivered in the home. The introduction of these services is aligned with Nova Leap's objective of supporting clients in the setting most appropriate to their needs, while also broadening the Corporation's clinical capabilities and service relevance within its existing markets.

The Corporation believes these service additions enhance its competitive position by increasing the range of solutions it can offer to clients and referral partners, supporting organic growth, and creating opportunities to deepen client relationships over a longer portion of the care journey.

OPERATIONS OVERVIEW

The Corporation provides a broad range of home-based and community-based care services designed to support individuals across varying levels of need. Services are delivered by trained caregivers, nurses, and care coordination professionals and are tailored to support both routine daily living and more complex healthcare requirements.

Core services include:

- Dementia care;
- Companionship;
- Personal care;
- Respite care;
- Cooking and meal preparation;
- Light housekeeping;
- Activities of daily living;
- Transportation services;
- Medication reminders; and
- Medication administration by nursing staff.

Expanded services introduced in 2026 include:

Care Management Services

Care Management services provide structured care coordination and oversight, including needs assessments, care planning, coordination with healthcare providers, and ongoing monitoring of client well-being. These services are intended to improve care continuity, reduce hospital readmissions, and support families managing complex care needs.

Palliative Care Services

Palliative Care services support clients with serious or life-limiting illnesses through specialized care focused on comfort, symptom management, and quality of life. Services are delivered in collaboration with healthcare professionals and are designed to complement existing home care services.

Services are generally paid directly by clients, the Department of Veteran Affairs or through long-term care insurance programs. Services are provided in private homes, assisted living communities, hospitals, nursing homes, hospice and rehabilitation centers.

RESULTS OF OPERATIONS

	Three months ended June 30 2026	2025	Six months ended June 30 2026	2025
	$	**$**	**$**	**$**
Revenues				
Service revenues	**9,393,302**	8,021,072	**17,245,196**	15,114,696
Operating expenses				
Cost of services	**5,606,840**	4,797,200	**10,326,484**	9,124,094
	3,786,462	3,223,872	**6,918,712**	5,990,602
Corporate and administrative expenses				
Head office and operations management	**2,089,669**	1,917,219	**4,105,110**	3,756,364
General & administrative	**741,957**	728,746	**1,397,458**	1,367,271
Amortization and depreciation	**178,763**	208,890	**327,582**	405,643
Stock-based compensation	**21,406**	18,578	**42,653**	35,733
	3,031,795	2,873,433	**5,872,803**	5,565,011
Income from operating activities	**754,667**	350,439	**1,045,909**	425,591
Other income (expenses)				
Foreign exchange gain (loss)	**251,103**	(799,746)	**496,922**	(816,453)
Finance expense	**(97,754)**	(106,632)	**(176,158)**	(187,734)
Acquisition related expenses	**(25,131)**	(27,435)	**(28,655)**	(76,421)
Other income	**-**	4,873	**-**	-
	128,218	(928,940)	**292,109**	(1,080,608)
Income (loss) before income taxes	**882,885**	(578,501)	**1,338,018**	(655,017)
Income taxes				
Deferred income tax expense (recovery)	**152,542**	(85,368)	**223,693**	(130,769)
Current income tax expense (recovery)	**80,366**	(9,125)	**139,761**	38,059
	232,908	(94,493)	**363,454**	(92,710)
Net income (loss)	**649,977**	(484,008)	**974,564**	(562,307)

The Corporation reported net income of $649,977 and $974,564 for the three and six months ended June 30, 2026 as compared to net loss of $484,008 and $562,307 for the three and six months ended June 30, 2025. The following is a discussion of the items that contributed to the change period over period.

Revenues
Revenues are billed at the hourly rates specified in client agreements and are recognized at the time services are rendered. The increase in revenues of $1,372,230 and $2,130,500 for the three and six months ended June 30, 2026 as compared to the same periods in the prior year is attributable to an increase in client service hours and to the impact of business acquisitions in Q2 2025 and Q2 2026 which contributed approximately $0.5 million of incremental revenues in Q2 2026.

Revenue in Q2 2026 was also positively impacted by additional revenue generated from the opening of a new location in Lexington, Kentucky in 2025 and the expansion of services in 2026, partially offset by the closure of two locations in the first half of 2025.

Revenues for agencies owned and operated fully for both periods, increased for the three and six months ended June 30, 2026, compared to the same period in 2025, due to an increase in total service hours and billing rates.

Cost of Services and Gross Margin
Cost of services is comprised of hourly employee compensation, related payroll taxes, benefits and workers' compensation insurance. The increase in Q2 2026 is primarily related to increased revenues. As a percentage, cost of services is consistent period over period.

Gross margin percentage increased to 40.3% and 40.1% for the three and six months ended June 30, 2026 from 40.2% and 39.6% for the three and six months ended June 30, 2025. Gross margin varies slightly by location and period based on staffing models (use of overtime), billing rates, paid holidays, workers' compensation rates and state specific payroll taxes.

Corporate and administrative expenses
Head office and operations management expenses include total compensation for all home care agency office staff as well as total compensation of Head office employees and directors of the Board. The quarter-over-quarter and year-over-year

increases were mainly a result of the acquisitions since January 1, 2025 and investments in senior management to lead new service offerings.

General and administrative expenses relate to all advertising, bank charges/credit card processing fees, IT software, hardware and support, insurance, rent and occupancy costs and supplies related to all agency locations and Head Office. It also includes all fees related to running a public company including professional fees, regulatory and transfer agent fees and investor relations. The quarter-over-quarter and year-over-year increase was primarily due to acquisitions completed in 2025 and 2026.

Amortization and depreciation decreased in the three and six months ended June 30, 2026 primarily due to a reduced rate of amortization of customer lists and non-compete agreements related to two acquisitions in 2024 and two acquisitions in 2025.

Other income and other expenses

Finance expense relates primarily to interest on outstanding demand loans and lease obligations. Finance expense decreased to $97,754 and $176,158 for the three and six months ended June 30, 2026 as compared to $106,632 and $187,734 for the three and six months ended June 30, 2025 due to lower interest rates and lower debt balances prior to the new debt obtained on May 1, 2026 related to Nova Scotia acquisition.

Foreign exchange gains and losses relate primarily to the translation of monetary balances in Head Office and Canadian operations and are mostly unrealized and non-cash. The gains and losses include the impact of the translation of intercompany loans issued by the parent company in CAD to the U.S. subsidiaries. Foreign exchange gains and losses will vary from period to period based on the period and foreign exchange rates. For the three and six months ended June 30, 2026, foreign exchange gains of $251,103 and $496,922 were recognized due to an increase of 2.0% and 3.7% in the U.S. dollar as compared to the exchange rates at March 31, 2026 and December 31, 2025. For the three and six months ended June 30, 2025, foreign exchange losses of $799,746 and $816,453 were recognized due to a decrease of 5.1% and 5.2% in the U.S. dollar as compared to the exchange rates at March 31, 2025 and December 31, 2024.

Acquisition related expenses of $25,131 and $28,655 for the three and six months ended June 30, 2026 are primarily related to the acquisition of a home care business in Nova Scotia completed in Q2 2026.

Income taxes

Nova Leap's combined statutory income tax rate is comprised of a blended federal and provincial corporate income tax rate of 29% (2025 – 29%) in Canada and a blended federal and state corporate income tax rate of 24.84% (2025 – 24.98%) in the United States, based on the locations where the Group operates. Nova Leap's effective tax rates for the three and six months ended June 30, 2026 and 2025 will vary from the combined statutory income tax rates as stock-based compensation and the majority of Nova Leap's foreign exchange losses are not deductible for income tax purposes. Income tax expense was $232,908 and $363,454 for the three and six months ended June 30, 2026 compared to a recovery of $94,493 and $92,710 for the same periods in 2025.

At June 30, 2026, Nova Leap has non-capital income tax losses of $609,081 (CAD$865,504) available to reduce future taxable income in Canada and non-capital income tax losses of $3,019,847 available to reduce future taxable income in the U.S.

SEGMENTED INFORMATION

Management identifies the Group's reportable segments as U.S. operations and Canadian operations. All businesses provide home care services to clients. These operating segments are monitored by the Group's Chief Executive Officer and strategic decisions are made based on segment operating results. Group Head Office provides financial reporting, strategic guidance, capital allocation and merger and acquisition services.

The Group's revenues from external customers and its non-current assets are all attributable to the U.S. and Canada segments. Revenues from external customers are identified based on the client's geographical location. Non-current assets are allocated based on their physical location.

Segment information for the reporting period is as follows:

	For the three months ended June 30, 2026				
	US $	**Canada** $	**Total Reportable Segments** $	**Group Head Office** $	**Total** $
Segment revenues	**6,888,135**	**2,505,167**	**9,393,302**	**-**	**9,393,302**
Cost of services	4,019,796	1,587,044	5,606,840	-	5,606,840
Gross margin	**2,868,339**	**918,123**	**3,786,462**	**-**	**3,786,462**
Corporate & administrative(1)	1,877,006	517,375	2,394,381	437,245	2,831,626
Adjusted EBITDA	**991,333**	**400,748**	**1,392,081**	**(437,245)**	**954,836**
Amortization and depreciation	90,692	71,994	162,686	16,077	178,763
Stock-based compensation	1,482	1,114	2,596	18,810	21,406
Segment operating income (loss)	**899,159**	**327,640**	**1,226,799**	**(472,132)**	**754,667**
Gross margin %	***41.6%***	***36.6%***	***40.3%***	***-***	***40.3%***
Segment assets	**17,995,957**	**7,042,644**	**25,038,601**	**757,376**	**25,795,977**

	For the three months ended June 30, 2025				
	US **$**	**Canada** **$**	**Total Reportable Segments** **$**	**Group Head Office** **$**	**Total** **$**
Segment revenues	**6,327,571**	**1,693,501**	**8,021,072**	**-**	**8,021,072**
Cost of services	3,714,838	1,082,362	4,797,200	-	4,797,200
Gross margin	**2,612,733**	**611,139**	**3,223,872**	**-**	**3,223,872**
Corporate & administrative(1)	1,895,990	406,122	2,302,112	343,853	2,645,965
Adjusted EBITDA	**716,743**	**205,017**	**921,760**	**(343,853)**	**577,907**
Amortization and depreciation	141,797	51,020	192,817	16,073	208,890
Stock-based compensation	1,797	1,114	2,911	15,667	18,578
Segment operating income (loss)	**573,149**	**152,883**	**726,032**	**(375,593)**	**350,439**
Gross margin %	***41.3%***	***36.1%***	***40.2%***	***-***	***40.2%***
Segment assets	**18,309,178**	**4,524,780**	**22,833,958**	**757,561**	**23,591,519**

1. *Corporate & administrative includes Head office and operations management expenses and general & administrative expenses.*

Nova Leap had positive Adjusted EBITDA and segment operating income in the U.S. and Canada operating segments in Q2 2026 and Q2 2025.

The increase in revenues and Adjusted EBITDA in Q2 2026 as compared to Q2 2025 in the U.S. segment is primarily due to the increase of total service hours, an increase in client billing rates, the opening of a Lexington, Kentucky location in 2025 and the expansion of services in 2026, partially offset by the impact of the closure of one agency in Q2 2025.

The Canadian segment's revenues and Adjusted EBITDA in Q2 2026 increased as compared to Q2 2025 due to the Nova Scotia acquisitions completed in Q2 2025 and Q2 2026, as well as increases in client service hours and billing rates at agencies owned prior to April 1, 2025. Acquisitions in the Canadian segment in Q2 2025 and Q2 2026 contributed incremental revenues of $0.55 million and Adjusted EBITDA of $0.10 million in Q2 2026.

Corporate and administrative costs in the Group Head Office Segment increased in Q2 2026 as compared to Q2 2025 due to investments in information technology, investor relations and increases in employee compensation.

For the six months ended June 30, 2026	US	Canada	Total Reportable Segments	Group Head Office	Total
	$	$	$	$	$
Segment revenues	**12,895,913**	**4,349,283**	**17,245,196**	**-**	**17,245,196**
Cost of services	7,571,994	2,754,490	10,326,484	-	10,326,484
Gross margin	**5,323,919**	**1,594,793**	**6,918,712**	**-**	**6,918,712**
Corporate & administrative[(1)]	3,789,996	943,742	4,733,738	768,830	5,502,568
Adjusted EBITDA	**1,533,923**	**651,051**	**2,184,974**	**(768,830)**	**1,416,144**
Amortization and depreciation	175,916	119,364	295,280	32,302	327,582
Stock-based compensation	2,953	2,220	5,173	37,480	42,653
Segment operating income (loss)	**1,355,054**	**529,467**	**1,884,521**	**(838,612)**	**1,045,909**
Gross margin %	***41.3%***	***36.7%***	***40.1%***	**-**	***40.1%***
Segment assets	**17,995,957**	**7,042,644**	**25,038,601**	**757,376**	**25,795,977**

For the six months ended June 30, 2025	US	Canada	Total Reportable Segments	Group Head Office	Total
	$	**$**	**$**	**$**	**$**
Segment revenues	**12,106,134**	**3,008,135**	**15,114,269**	**427**	**15,114,696**
Cost of services	7,191,193	1,932,901	9,124,094	-	9,124,094
Gross margin	**4,914,941**	**1,075,234**	**5,990,175**	**427**	**5,990,602**
Corporate & administrative[(1)]	3,789,177	677,618	4,466,795	656,840	5,123,635
Adjusted EBITDA	**1,125,764**	**397,616**	**1,523,380**	**(656,413)**	**866,967**
Amortization and depreciation	287,622	86,582	374,204	31,439	405,643
Stock-based compensation	3,455	2,147	5,602	30,131	35,733
Segment operating income (loss)	**834,687**	**308,887**	**1,143,574**	**(717,983)**	**425,591**
Gross margin %	***40.6%***	***35.7%***	***39.6%***	**-**	***39.6%***
Segment assets	**18,309,178**	**4,524,780**	**22,833,958**	**757,561**	**23,591,519**

1. *Corporate & administrative includes Head office and operations management expenses and general & administrative expenses.*

Nova Leap had positive segment operating income and Adjusted EBITDA in the U.S. and Canada operating segments for the six months ended June 30, 2026 and 2025.

The increase in revenues and Adjusted EBITDA for the six-month period ended June 30, 2026 as compared to the same period in 2025 in the U.S. segment is primarily due to an increase in total service hours, an increase in client billing rates, the opening of a Lexington Kentucky location in 2025 and the expansion of services in 2026, partially offset by the impact of the closure of two agencies in the first six months of 2025.

The Canadian segment's revenues and Adjusted EBITDA in the six months ended June 30, 2026 increased as compared to the same period in 2025 due to the Nova Scotia acquisitions completed in Q1 2025, Q2 2025 and Q2 2026, as well as increases in client service hours and billing rates at agencies owned prior to January 1, 2025. Acquisitions in the Canadian segment in 2025 and 2026 contributed incremental revenues of $0.82 million and positive Adjusted EBITDA of $0.12 million in the six months ended June 30, 2026.

Corporate and administrative costs in the Group Head Office Segment increased for the six months ended June 30, 2026 compared to the same period in 2025 due to investments in information technology, investor relations and increases in employee compensation.

Financial Position
Total assets increased by $2.32 million to $25.80 million at June 30, 2026 from $23.48 million at December 31, 2025. The increase primarily reflects the acquisition completed on May 1, 2026, including the recognition of $2.11 million of goodwill and $0.62 million of identifiable intangible assets. The acquisition also contributed to higher working capital balances, including accounts receivable and prepaid expenses, together with an increase in property and equipment. These increases were partially offset by a $0.40 million decrease in the deferred income tax asset.

Total liabilities increased by $1.94 million, primarily due to additional demand loans used to finance the acquisition, together with increases in accounts payable and accrued liabilities, promissory notes and lease liabilities. Shareholders' equity increased by $0.38 million, reflecting net income of $0.97 million and equity-settled share-based compensation for the six months ended June 30, 2026, partially offset by a $0.64 million foreign currency translation loss recognized in accumulated other comprehensive income.

Seasonality
The Corporation's business is not subject to significant seasonal fluctuations. Quarterly operating results may vary from period to period due to changes in client service hours, statutory holidays, caregiver availability and overtime, severe weather, and the timing of acquisitions and new office openings.

CASH FLOWS, LIQUIDITY AND CAPITAL RESOURCES

	Three months ended June 30		**Six months ended June 30**	
	2026	**2025**	**2026**	**2025**
	$	**$**	**$**	**$**
Cash provided by operating activities	**907,544**	611,932	**1,303,750**	808,690
Cash used in investing activities	**(2,318,001)**	(279,919)	**(2,318,001)**	(1,242,934)
Cash provided by (used in) financing activities	**1,253,760**	(294,172)	**972,175**	402,119
Effect of foreign exchange rate change on cash and cash equivalents	**(6,770)**	22,328	**(9,214)**	22,642
(Decrease) increase in cash and cash equivalents	**(163,467)**	60,169	**(51,290)**	(9,483)

Operating Activities
For the three and six months ended June 30, 2026, cash provided by operating activities increased by $295,612 and $495,060 as compared to the same periods in 2025. The increase was positively impacted by an increase in Adjusted EBITDA (as discussed in *Segmented Information* above).

The operating activities for the three and six months ended June 30, 2026 were primarily related to ongoing management of home care operations, management expenses for back-office support of operations, the corporate and administrative costs (such as professional fees, consulting fees and salary, regulatory and transfer agent fees) associated with operating a public company and corporate income taxes paid.

Investing Activities
The Corporation's cash used in investing activities of $2,318,001 for the three and six months ended June 30, 2026 increased from $279,919 and $1,242,934 for the same periods in 2025. The cash used in investing activities in 2026 and 2025 related to the purchase of home care businesses in Nova Scotia in Q1 2025, Q2 2025 and Q2 2026.

Financing Activities
The Corporation's cash provided by financing activities was $1,253,760 for the three months ended June 30, 2026 compared to cash used in financing activities of $294,172 for the same period in 2025. The Corporation's cash provided by financing activities was $972,175 for the six months ended June 30, 2026 and $402,119 for the same period in 2025. During Q2 2026, the Corporation received proceeds of $1,585,728 from a new demand loan, net of transaction costs, used to finance the purchase of a Nova Scotia home care business. Financing activities also included regular payments of principal and interest on demand loans, promissory notes and leases.

Liquidity and Capital Resources
As of June 30, 2026, the Corporation had cash and cash equivalents of $1,441,635 and negative working capital of $1,641,433. The working capital has been reduced by the full amount of Schedule 1 Canadian bank demand loans of $3,041,221, not the amount due in the next twelve months of $714,780, as the demand loans are classified as current liabilities due to their demand feature.

The Corporation currently has enough cash and cash equivalents as well as access to an unused revolving credit facility of $1,055,595 (CAD$1,500,000) to meet its contractual obligations for the next year. The Corporation also has access to a non-revolving acquisition line with an available balance of $3,050,000 as of June 30, 2026 to finance future acquisitions, but based on the existing situation, additional cash flow and financing could be required to support future operations and to fund significant future acquisitions. Management believes it has the ability to obtain additional capital financing as needed.

Future growth plans will be dependent on management's ability to raise required funding through future issuances of equity or debt, its ability to acquire targets or business interests and develop profitable operations or a combination thereof, which is not assured. The plan is to grow the Corporation through acquisitions such that operations will, at a minimum, support all debt financing costs.

SUMMARY OF QUARTERLY RESULTS

A summary of quarterly results is included in the table below. The financial information is extracted from or derived from the Corporation's consolidated financial statements.

	June 30, 2026	**Mar 31, 2026**	**Dec 31, 2025**	**Sep 30, 2025**
	$	$	$	$
Revenues	9,393,302	7,851,894	8,087,783	8,264,326
Net income (loss)	649,977	324,587	(53,728)	426,171
Net income (loss) per share - basic and diluted	0.007	0.004	(0.001)	0.005
Cash provided by operating activities	907,544	396,206	276,788	470,890
	June 30, 2025	**Mar 31, 2025**	**Dec 31, 2024**	**Sep 30, 2024**
	$	$	$	$
Revenues	8,021,072	7,093,624	6,585,825	6,406,528
Net (loss) income	(484,008)	(78,299)	886,268	(207,871)
Net (loss) income per share - basic and diluted	(0.006)	(0.001)	0.009	(0.002)
Cash provided by operating activities	611,932	196,758	338,717	287,259

Revenues

Revenues increased from $6.41 million in Q3 2024 to $9.39 million in Q2 2026 primarily due to four acquisitions completed between Q4 2024 and Q2 2026. These four acquisitions contributed revenues of $0.18 million in Q4 2024, $1.2 million in Q1 2025, $1.7 million in Q2 2025, $1.8 million in Q3 2025, $1.9 million in Q4 2025, $1.8 million in Q1 2026 and $2.4 million in Q2 2026.

Quarterly revenues were also impacted by the opening of a new location in Lexington, Kentucky in 2025 offset by the closure of two locations in 2025, and the expansion of services in 2026. Same agency revenues (agencies owned from July 1, 2024 onward) increased from Q3 2024 to Q2 2026 due to an increase of client service hours at several agencies and by client billing rate increases.

Net Income (Loss)

Net income (loss) will vary each quarter based on the period end foreign exchange rates due to the translation of U.S. dollar monetary balances to Canadian dollars in Head Office. In Q2 2026, a foreign exchange gain of $251,103 was recognized due to a 2.0% strengthening of the U.S. dollar relative to the Canadian dollar, increasing net income in that period.

Cash provided by operating activities

Cash provided by operating activities is impacted by factors including Adjusted EBITDA, changes in non-cash working capital, taxes paid and acquisition-related expenses. The Corporation achieved positive cash from operating activities in all quarters since Q3 2024. Cash provided by operating activities in Q2 2026 of $907,544 was primarily impacted by positive Adjusted EBITDA and positive changes in non-cash working capital, offset by acquisition related expenses and taxes paid.

TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties were in the normal course of operations and are measured at the exchange amount, which is the amount agreed to by the parties. Related parties include members of the Board of Directors, as well as the Chief Executive Officer and the Chief Financial Officer.

Corporate and administrative expenses include the following related party remuneration expenses:

	Three months ended June 30		Six months ended June 30	
	2026	**2025**	**2026**	**2025**
	$	**$**	**$**	**$**
Management compensation	**140,790**	108,547	**234,761**	230,647
Directors' compensation	**34,687**	34,677	**69,692**	68,120
Stock-based compensation	**19,085**	15,481	**37,757**	29,951
	194,562	158,705	**342,210**	328,718

On January 20, 2025, the Corporation acquired 100% of the shares of two affiliated Nova Scotia-based home care businesses. The acquisition was a non-arm's length transaction as the shares were previously controlled by the Chief Executive Officer and a shareholder holding more than 10% of the outstanding shares of the Corporation.

OFF BALANCE SHEET ITEMS

The Corporation has no off-balance sheet arrangements.

OUTSTANDING SHARE DATA

Authorized capital stock consists of an unlimited number of common shares without nominal or par value.

As at the date of the MD&A, there were 87,314,252 common shares of the Corporation issued and outstanding, 8,225,000 stock options and 500,000 DSUs outstanding.

FINANCIAL INSTRUMENTS

The Group's risk management is coordinated at its Head Office, in close cooperation with the Board of Directors, and focuses on actively securing the Group's short to medium-term cash flows by maximizing cash flow from operations. The Group is exposed to various risks in relation to financial instruments. The main types of risks are credit risk, liquidity risk and market risk. The Group is exposed to the same risks in the current year as it was exposed to in the prior year. The most significant financial risks to which the Group is exposed are described below.

Credit risk
Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, for example by granting receivables to customers and placing deposits.

The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at the end of the reporting period, as summarized below:

Classes of financial assets – carrying amounts	**June 30, 2026**	**December 31, 2025**
	$	**$**
Cash and cash equivalents	**1,441,635**	1,492,925
Accounts receivable	**2,011,357**	1,837,001
	3,452,992	3,329,926

Credit risk management
The credit risk is managed on a group basis based on the Group's credit risk management policies and procedures. The credit risk in respect of cash balances held with banks are managed by only using major reputable financial institutions.

The Group does not specifically assess the credit quality of clients based on a credit rating but through an informal process while onboarding for service. Invoice terms are generally payable within thirty days. The ongoing credit risk is managed through regular review of the aging analysis.

At certain locations, clients are required to pay an upfront deposit, mitigating the credit risk. As at June 30, 2026, the Group had $42,984 collected for client deposits (December 31, 2025 - $38,118), representing approximately 2.1% of outstanding accounts receivable, billed and accrued (December 31, 2025 – 2.1%).

Liquidity risk

Liquidity risk is the risk that the Group might be unable to meet its obligations. The Group manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecasting cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a quarterly lookout period are identified monthly. Net cash requirements are compared to available cash balances and available borrowing facilities in order to determine headroom or shortfalls. This analysis shows that available borrowing facilities and cash balances are expected to be sufficient for the next twelve months.

The Group considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and accounts receivable. The Group's existing cash resources and accounts receivable, in addition to the current unused balance of the revolving operating facility and cash flow projections are expected to be sufficient to meet the contractual cash outflow requirements over the next twelve months. Cash flows from accounts and other receivables are all contractually due within 30 days.

The Group's financial liabilities have contractual maturities (including interest payments where applicable) as summarized below:

As at June 30, 2026	**< 1 year**	**1-2 years**	**3-5 years**	**> 5 years**
	$	$	$	$
Accounts payable and accrued liabilities	1,881,041	-	-	-
Client deposits	42,984	-	-	-
Promissory notes, principal and interest	187,662	183,056	71,780	-
Demand loans, principal and interest	862,347	862,347	1,755,002	-
Lease liability, principal and interest	429,803	300,324	350,930	41,949
Total	3,403,837	1,345,727	2,177,712	41,949

As at December 31, 2025	**< 1 year**	**1-2 years**	**3-5 years**	**> 5 years**
	$	$	$	$
Accounts payable and accrued liabilities	1,469,705	-	-	-
Client deposits	38,118	-	-	-
Promissory notes, principal and interest	136,116	113,067	-	-
Demand loans, principal and interest	587,650	552,638	995,173	-
Lease liability, principal and interest	357,489	279,235	316,738	80,770
Total	2,589,078	944,940	1,311,911	80,770

Market risk

The Group is exposed to market risk through its use of financial instruments and specifically to currency risk and interest rate risk, which result from both its operating and financing activities.

Foreign currency sensitivity

The Group's operations are carried out in USD. Exposure to currency exchange rates arise from Canadian assets, liabilities, home care operations and head office costs.

The Group's exposure to the Canadian dollar currency risk was as follows:

	June 30, 2026 CAD$	December 31, 2025 CAD$
Cash and cash equivalents	**992,365**	817,447
Accounts receivable	**877,085**	720,324
Accounts payable & accrued liabilities	**(1,037,204)**	(820,061)
Lease liability	**(590,290)**	(681,787)
Promissory note	**(280,374)**	-
Demand loans	**(3,081,457)**	(1,107,148)
	(3,119,875)	(1,071,225)

A change of 5.0% in the Canadian dollar exchange rate at June 30, 2026 would affect net income (loss) and deficit by approximately $105,000 (June 30, 2025 - $55,000).

Interest rate sensitivity
As at June 30, 2026, the Corporation's outstanding borrowings bear fixed interest rates for their respective contractual fixed-rate terms. Accordingly, a 1% increase or decrease in market interest rates would have no impact on annual net income, comprehensive income or deficit (June 30, 2025 – approximately $17,000).

Fair value

The carrying amounts of financial assets and financial liabilities measured at amortized cost approximate their fair value due to their short-term nature, except for the demand loans and promissory notes, the fair values of which are disclosed in notes 4 and 5 to the Unaudited Condensed Interim Consolidated Financial Statements as at June 30, 2026.

RISKS AND UNCERTAINTIES

The following information is a summary of certain risk factors relating to the business of the Corporation and its subsidiaries, and is qualified in its entirety by reference to, and must be read in conjunction with, the detailed information appearing elsewhere in this MD&A and the documents incorporated by reference herein.

Nova Leap and its subsidiaries are subject to certain risks inherent in the operation of the business. Nova Leap and its subsidiaries manage risk and risk exposures through a combination of management oversight, insurance, systems of internal controls and disclosures and sound operating policies and practices.

These risks and uncertainties are not the only ones facing the Corporation. Additional risks and uncertainties not currently known to the Corporation, or that the Corporation currently deems immaterial, may also impair operations of the Corporation. If any such risks were to occur, the financial condition, liquidity and results of operations of the Corporation could be materially adversely affected and the ability of the Corporation to implement its plans could be adversely affected.

Risks Related to Ownership of Nova Leap Shares

Market Price of the Common Shares
The common shares of Nova Leap (“Common Shares”) are currently listed and posted for trading on the TSX Venture Exchange. Securities of small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries. The price of the Common Shares is also likely to be significantly affected by short-term changes in cost of services, or in the financial condition or results of operations of the Corporation. Other factors unrelated to the performance of the Corporation that may have an effect on the price of the Common Shares include the following: the extent of analyst coverage available to investors concerning the business of the Corporation may be limited if investment banks with research capabilities do not follow the Corporation’s securities; lessening in trading volume and general market interest in the Corporation’s securities may affect an investor’s ability to trade significant numbers of the Common Shares; the size of the Corporation’s public float may limit the ability of some institutions to invest in the Corporation’s securities; a substantial decline in the price of the Common Shares that persists for a significant period of time could cause the Corporation’s securities to be delisted from an exchange on which they are listed, further reducing market liquidity; adverse changes in general market or industry conditions or economic trends; or a variety of other factors.

As a result of any of these factors, the market price of the Common Shares at any given point in time may not accurately reflect the long-term value of the Corporation. Securities class-action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Corporation may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

Future Sales of Shares by Shareholders
Sales of a large number of the Common Shares in the public markets, or the potential for such sales, could decrease the trading price of the Common Shares and could impair the Corporation's ability to raise capital through future sales of the Common Shares. The Corporation cannot predict the effect that future sales of Common Shares or other equity related securities would have on the market price of the Common Shares.

Dilution
The Corporation may require additional funds in respect of the further development of the Corporation's business. If the Corporation raises funds by issuing additional Common Shares or other equity securities, such financing will dilute the equity interests of its shareholders.

Dividends
The Corporation has never declared or paid any dividends on its Common Shares. The Corporation intends, for the foreseeable future, to retain its future earnings, if any, to finance its business activities. The payment of future dividends, if any, will be reviewed periodically by the Board and will depend upon, among other things, conditions then existing including earnings, financial conditions, cash on hand, financial requirements to fund business activities, development and growth, restrictions under the Corporation's debt agreements and other factors that the Board may consider appropriate in the circumstances.

Risks Related to Growth Strategy

Our growth strategy depends on our ability to manage growth and effectively integrate operations and we may not be successful in managing this growth.
Our business plan calls for significant growth in our business over the foreseeable future through the expansion of our services in existing markets and the establishment of a presence in new markets. This growth has placed and continues to place significant demands on our management team, systems, internal controls and financial and professional resources. In addition, we will need to further develop our financial controls and reporting systems to accommodate our growth. This could require us to incur expenses for hiring additional qualified personnel, retaining professionals to assist in developing the appropriate control systems and expanding our information technology infrastructure. Our inability to effectively manage growth could have a material adverse effect on our financial results.

Previously completed or future acquisitions, or growth initiatives, may be unsuccessful and could expose us to unforeseen liabilities.
Our growth strategy includes geographical expansion into new markets and existing markets through the acquisition of home care agencies. These acquisitions involve significant risks and uncertainties, including difficulties assimilating acquired personnel and other corporate cultures into our business, the potential loss of key employees or clients, regulatory risks, the assumption of liabilities, exposure to unforeseen liabilities of acquired agencies, and the diversion of the management team's attention.

In the past, we have made acquisitions that have not performed as expected. In addition, our due diligence review of acquired businesses may not successfully identify all potential issues. Further, following completion of an acquisition, we may not be able to maintain the growth rate, levels of revenue, earnings or operating efficiency that we and the acquired business have achieved or might achieve separately. The failure to effectively integrate future acquisitions could have a material adverse impact on our operations.

We may in the future selectively open new agencies in existing and new states. New agency locations involve risks, including those relating to licensing, hiring new personnel, and establishing relationships with referral sources. We may not be successful in generating sufficient business activity to sustain the operating costs of such new agency operations.

We may be unable to pursue acquisitions or expand into new geographic regions without obtaining additional capital or consent from our lenders.
We believe that future bank borrowings will be based on a multiple of an Adjusted EBITDA or cash flow ratio. An inability to produce sufficient Adjusted EBITDA to support debt repayments could cause an inability of the Corporation to achieve additional bank financing. We cannot predict the timing, size and success of our acquisition efforts, our efforts to expand into new geographic regions or the associated capital commitments. If we do not have sufficient cash resources, or availability through additional bank financing, our growth could be limited unless we obtain additional equity or debt financing. In the future, we may elect to issue additional equity securities in conjunction with raising capital, completing an acquisition or

expanding into a new geographic region. Such issuances could be dilutive to existing shareholders.

In addition, our ability under our credit facility to consummate acquisitions is subject to approval by our lender. Our ability to expand in a manner consistent with historic practices may be limited if we are unable to obtain such consent from our lenders.

Risks Related to Operations

Shortage of caregivers
There is a shortage of caregivers in many of the regions in which the Group operates. As a result, the Group may face higher costs of recruiting and retaining caregivers, compensating caregivers or loss of clients and revenues which would all adversely impact the Corporation.

Renewal of Home Care Licenses
There are licensing requirements in the States of Florida, New Hampshire and Oklahoma to provide home care or home health care services and there may be similar licensing requirements in other jurisdictions in which the Corporation expands its operations. Such a license is subject to an annual renewal, and as a result there is no assurance or guarantee that the Corporation will pass any future license renewal processes. If the license is not renewed it will impact the ability to generate future profits. The Corporation currently operates under valid licenses.

Our industry is highly competitive, fragmented and market-specific
We compete with other personal care service agencies, including privately held single-site agencies as well as franchises and private caregivers including family members. Some of our competitors may have greater financial, technical, political and marketing resources, name recognition or a larger number of clients than we do. In addition, some of these organizations offer more services than we do in the markets in which we operate. These competitive advantages may limit our ability to attract and retain referrals in local markets and to increase our overall market share.

In many states and provinces, there are limited barriers to entry in providing personal care services. However, some states require entities to obtain a license before providing home care services. In addition, economic changes such as increases in minimum wage and changes in Department of Labor rules can also impact the ease of entry into a market. These factors may affect competition in the states in which we operate.

Our agreements with clients are not exclusive and there is no cost of cancellation of services. Local competitors may develop strategic relationships with referral sources and payors. This could result in pricing pressures, loss of or failure to gain market share or loss of clients, any of which could harm our business and have a negative impact on our results of operations.

United States Operations and Exchange Rate Fluctuations
The Corporation conducts many of its operations through its United States subsidiaries. Therefore, to the extent of these holdings, the Corporation (directly and indirectly) is dependent on the cash flows of these subsidiaries to meet its obligations. The ability of such subsidiaries to make payments to their parent companies may be constrained by the following factors: the level of taxation, particularly corporate profits and withholding taxes, in the jurisdiction in which each subsidiary operates; and the introduction of exchange controls or repatriation restrictions or the availability of hard currency to be repatriated.

In the past, the Corporation has financed acquisitions of U.S. businesses in part by obtaining U.S. denominated loans that could then be serviced and repaid from anticipated future U.S. earnings streams. Although this natural hedging strategy is partially effective in mitigating future foreign currency risks, a substantial portion of Nova Leap's revenues and cash flows are now, and are expected to continue to be, generated in U.S. dollars. Fluctuations in exchange rates between the Canadian dollar and the U.S. dollar may have a material adverse effect on the Corporation's reported earnings and cash flows and its ability to make future Canadian dollar cash dividends. Fluctuations in the exchange rates between the Canadian dollar and the U.S. currency may also have a material adverse effect on Nova Leap's share price. To reduce volatility from exchange rates, Nova Leap reports results in USD. The Corporation will continue to maintain cash balances in both United States and Canadian dollars, but management does not currently anticipate that it will purchase any securities or financial instruments to speculate on, or hedge against, a rise or fall in the value of the United States dollar.

Goodwill and/or intangible assets impairment
Goodwill and intangible assets with finite lives represent a significant portion of our assets. Goodwill represents the excess of cost over the fair market value of net assets acquired in business combinations. For example, if our market capitalization drops significantly below the amount of net equity recorded on our balance sheet, it might indicate a decline in our fair value and would require us to further evaluate whether our goodwill has been impaired.

If as part of our annual review of goodwill and intangibles, we were required to write down all or a significant part of our goodwill and/or intangible assets, our net earnings and net worth could be materially adversely affected, which could affect our ability to obtain additional financing. In addition, if our assumptions used in preparing our valuations for purposes of impairment testing differ materially from actual future results, we may record impairment charges in the future and our financial results may be materially adversely affected. Nova Leap recognized an impairment loss of $1,502,562 in 2023 $514,403 in 2022 $605,682 in 2021 and $800,000 in 2020 for CGUs that had not performed according to forecasts and expectations from the time of acquisition.

It is not possible at this time to determine if there will be any future impairment charges, or if there is, whether such charges would be material. We will continue to review our goodwill and other intangible assets for possible impairment. We cannot be certain that a downturn in our business, changes in market conditions or rising interest rates as a result of inflation will not result in an impairment of goodwill or other intangible assets and the recognition of resulting expenses in future periods, which could adversely affect our results of operations for those periods.

Liability Risks

Government Regulation and Tax Risk
Nova Leap and its subsidiaries are subject to various federal, state, provincial, and local laws, regulations and taxation authorities. Various federal, state, provincial and local agencies as well as other governmental departments administer such laws, regulations and their related rules and policies. New laws governing Nova Leap or its business could be enacted or changes or amendments to existing laws and regulations could be enacted which could have a significant impact on the Corporation. Nova Leap utilizes the services of professional advisors in the areas of taxation, labour and general business law to mitigate the risk of non-compliance. Failure to comply with the applicable laws, regulations or tax changes may subject the Corporation to civil or regulatory proceedings and no assurance can be given that this will not have a material impact on financial results.

Our insurance liability coverage may not be sufficient for our business needs.
Although Nova Leap maintains insurance consistent with industry practice, the insurance we maintain may not be sufficient to satisfy all claims made against us. We cannot assure you that claims will not be made in the future in excess of the limits of our insurance, and any such claims, if successful and in excess of such limits, may have a material adverse effect on our business or assets. If losses on asserted claims exceed the current insurance coverage and accrued reserves, our business, results of operations and financial condition could be adversely affected. Changes in our annual insurance costs depend in large part on the insurance market, and insurance coverage may not continue to be available to us at commercially reasonable rates, in adequate amounts or on satisfactory terms.

Nova Leap maintains insurance consistent with industry practice including general liability, property and automobile as well as workers' compensation insurance, through insurance policies with insurance carriers located in the U.S. and Canada. Nova Leap also insures its directors and officers against liabilities arising from errors, omissions and wrongful acts. Management uses its knowledge, as well as the knowledge of experienced brokers, to ensure that insurable risks are insured appropriately under terms and conditions that would protect Nova Leap and its subsidiaries from losses. There can be no assurance that all perils would be fully covered or that a material loss would be recoverable under such insurance policies.

We may have exposure to unforeseen tax liabilities.
We are subject to income taxes, as well as non-income based taxes (such as payroll taxes), in the United States and Canada and our tax structure is subject to review by numerous taxation authorities. Significant judgment is required in determining our worldwide provision for income taxes and other tax liabilities. In the ordinary course of a global business, there are many inter-company transactions and calculations where the ultimate tax determination is uncertain. Although we strive to ensure that our tax estimates and filing positions are reasonable, we cannot assure you that the final determination of any tax audits and litigation will not be different from what is reflected in our historical income tax provisions and accruals, and any such differences may materially affect our operating results for the affected period or periods.

We also have exposure to additional non-income tax liabilities. We are subject to non-income taxes, such as payroll taxes in the United States and Canada.

Data Security and Privacy Risks

Our business depends on our information systems. Our operations may be disrupted if we are unable to effectively integrate, manage and maintain the security of our information systems.

Our business depends on effective and secure information systems and software that assist us in, among other things, gathering information to improve the quality of consumer care, optimizing financial performance, and enhancing staff efficiency. Our business also depends on a comprehensive payroll and human resources system for basic payroll functions and reporting, payroll tax reporting and benefits tracking and offerings. Our business supports the use of Electronic Visit Verification ("EVV") to collect visit submission information through our delivery of home care services. Our solution, when used to its full functionality, uses telephony to capture time in and time out, mileage and travel time, as well as the completed care plan tasks.

We rely on external service providers to provide continual maintenance, upgrading, and enhancement of our primary information systems used for our operational needs. To the extent providers fail to support the software or systems, or if we lose our licenses, our operations could be negatively affected.

Our work from home policies for administrative employees has led to an increase in working remotely and, consequently, accessing our system remotely. As a result, we are more dependent on our systems that facilitate remote access and potentially could experience increased risks.

If we experience a reduction in the performance, reliability, or availability of our information systems, our operations and ability to process transactions and produce timely and accurate reports could be adversely affected. If we experience difficulties with the transition and integration of information systems or are unable to implement, maintain, or expand our systems properly, we could suffer from, among other things, operational disruptions, regulatory problems, and increases in administrative expenses.

A cyber-attack or security breach could cause a loss of confidential client or employee data, give rise to remediation and other expenses, expose us to liability under HIPAA/PIPEDA, consumer protection laws, common law and other legal theories, subject us to litigation and federal and state governmental inquiries, damage our reputation, and otherwise be disruptive to our business.

We rely extensively on computer systems to manage clinical and financial data, to communicate with our clients, employees, payors (VA or insurance companies), vendors and other third parties, and to summarize and analyze our operating results. We at times exchange clinical and financial data with third parties in connection with our routine operations and in order to meet our contractual and regulatory obligations. We are required to comply with the federal and state privacy and security laws and requirements, including the Health Insurance Portability and Accountability Act ("HIPAA").

In spite of our policies, procedures and other security measures used to protect our computer systems and data, we could (but have not to date) experience breaches that would require us to notify affected clients or employees and the government. There can be no assurance that we will not be subject to cyber-attacks or security breaches in the future. Such attacks or breaches could result in loss of protected client medical data or other information subject to privacy laws or disrupt our information technology systems or business.

In addition, our work from home policies may have an adverse impact on our information technology systems and our ability to securely preserve confidential information, including risks associated with telecommuting issues associated with our employees working remotely. If our privacy and security practices fail to comply with HIPAA and other applicable privacy and security laws and/or if we fail to satisfy applicable breach notification requirements in the event of a security breach, we could be subject to significant fines, penalties, lawsuits and reputational harm. In addition, we may be at increased risk because we outsource certain services or functions to, or have systems that interface with, third parties. Some of these third parties may store or have access to our data and may not have effective controls, processes, or practices to protect our information from attack, damage, or unauthorized access. A breach or attack, including those caused by updates and other releases, affecting any of these third parties could harm our business.

Human Capital Risks

We may not be able to attract and retain qualified personnel or we may incur increased costs in doing so.

We must attract and retain qualified non-executive personnel in the markets in which we operate in order to provide our services. We compete for personnel with other providers of social and medical services as well as companies in other service-based industries. Increased competition for trained personnel or general inflationary pressures may require that we enhance our pay and benefits packages to compete effectively for such personnel. We may not be able to offset such added costs by increasing the rates we charge for our services. An increase in personnel costs could negatively impact our business. In addition, if we fail to attract and retain qualified and skilled personnel, our ability to conduct our business operations effectively would be harmed.

Competition may be greater for managers, such as regional and agency directors. Our ability to attract and retain personnel depends on several factors, including our ability to provide employees with attractive assignments and competitive benefits and salaries. The loss of one or more of the members of the management team or the inability of a new management team to successfully execute our strategies may adversely affect our business. If we are unable to attract and retain qualified personnel, we may be unable to provide our services, the quality of our services may decline, and we could lose clients and referral sources.

We depend on the services of our executive team members.
Our success depends upon the continued employment of certain members of our executive team to manage several of our key functional areas, including operations, business development, accounting, finance, human resources, marketing, information systems, and compliance. The departure of certain members of our executive team may materially adversely affect our operations.

General Risks

Inclement weather, natural disasters, acts of terrorism, pandemics, riots, civil insurrection or social unrest, looting, protests, strikes or street demonstrations may impact our ability to provide services.
Inclement weather, natural disasters, acts of terrorism, pandemics, riots, civil insurrection or social unrest, looting, protests, strikes or street demonstrations may adversely affect the Corporation's operations. Such events may limit the ability of caregivers and employees to travel safely to client locations due to road conditions, transportation disruptions, or other access limitations, which may result in missed or delayed services to clients.

Prolonged disruptions as a result of such events in the markets in which we operate could disrupt our relationships with clients, caregivers and employees and referral sources located in affected areas and, in the case of our corporate office, our ability to provide administrative support services, including billing and payroll services.

A significant portion of the Corporation's operations are located in the northeastern U.S. or Canada, with exposure to blizzards and other major snowstorms, ice storms, hurricanes and flooding. The impact of disasters and similar events is inherently uncertain. Future inclement weather, natural disasters, acts of terrorism, pandemics, riots, civil insurrection or social unrest, looting, protests, strikes or street demonstrations may adversely affect our reputation, business and consolidated financial condition, results of operations and cash flows.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in the Corporation's Unaudited Condensed Interim Consolidated Financial Statements is the responsibility of management. In the preparation of the statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements.

In contrast to the certificate required under National Instrument 52-109 *Certificate of Disclosure in Issuers' Annual and Interim Filings* ("NI 52-109") for non-venture issuers, the Venture Issuer Basic Certificate ("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 the 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 Corporation 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 IFRS Accounting Standards.

The Corporation'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 the 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.

NATURE OF THE SECURITIES

The purchase of the Corporation’s securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Corporation’s securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

Approval

Dated August 7, 2026