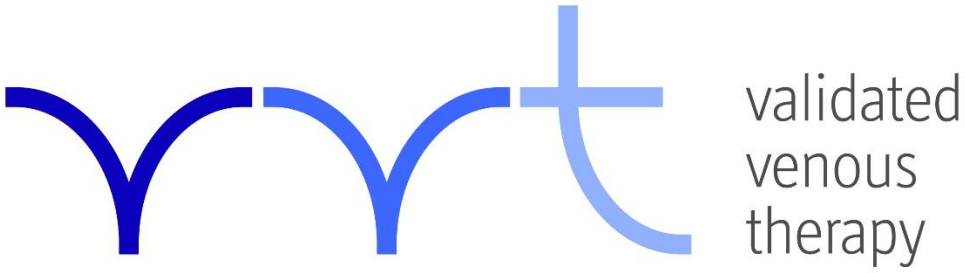

VVT MED INC.

(FORMERLY KNOWN AS DXI CAPITAL CORP.)

Management's Discussion and Analysis

For the years ended December 31, 2025 and 2024

(Expressed in US Dollars)

Forward-Looking Information

Certain statements and information contained in this MD&A may constitute forward-looking information under applicable securities laws. Such forward-looking information is used in this MD&A for the purpose of providing information about management's current expectations and plans relating to the future development of the Company's business. All statements and information other than statements of historical fact or historical information may be forward-looking information. Readers are cautioned that reliance on such forward-looking information may not be appropriate for other purposes, such as making investment decisions. Forward-looking information typically contains statements with words such as "expect", "intend", "estimate", "will", "anticipated", "possible", "potential" or similar words, including negatives thereof, suggesting future outcomes or statements regarding an outlook. Forward-looking information in this MD&A includes, but is not limited to, statements or information with respect to: The Company's strategies and objectives, both generally and in respect of its existing business and planned businesses; as of the date of this MD&A.

The forward-looking information is based on a number of factors, expectations and assumptions which have been used to develop such information, and which may prove to be incorrect. Such material factors, expectations and assumptions include, but are not limited to: the ability of the Company to successfully implement its strategic plans and initiatives and whether such strategic plans and initiatives will yield the expected benefits; the receipt by the Company of necessary licenses, permits and authorizations from regulatory authorities, and the timing thereof; applicable tax laws; the sufficiency of budgeted capital expenditures in carrying out planned activities; assumptions of costs associated with business plans; consistency of laws and regulation relating to the healthcare industry; the timely receipt of any required regulatory approvals for the business plans and the ability to obtain financing on acceptable terms when and if needed. Although the Company believes that the factors, expectations and assumptions on which the forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because the Company can give no assurances that they will prove to be correct.

Since forward-looking information addresses future events and conditions, by its very nature it involves inherent known and unknown risks and uncertainties which are beyond the control of the Company. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These factors and risks include, without limitation: the risk that the Offering does not close as anticipated or at all; the impact of general economic conditions; changes in industry conditions; changes in laws and regulations and changes in how they are interpreted and enforced; increased competition; the lack of availability of qualified personnel or management; the ability of the Company to effectively manage its growth and operations; the ability to capitalize on changes to the marketplace; and the factors and risks identified under the "*Risk Factors*" section of this MD&A. Readers are cautioned that the foregoing list of factors and risks is not exhaustive. The Company's actual results, performance or achievement could differ materially from those expressed in, or implied by, the forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do so, what benefits that the Company will derive therefrom.

The forward-looking information included in this MD&A is made as of the date hereof and the Company does not undertake an obligation to publicly update such forward-looking information to reflect new information, subsequent events or otherwise, except as required by applicable law.

Introduction

This Management's Discussion and Analysis (this "**MD&A**") of the financial results of VVT MED INC. (formerly known as DXI Capital Corp.) (the "**Company**" or "**VVT Med Inc.")** should be read in conjunction with the audited financial statements of the Company for the years ended December 31, 2025 and 2024 (the "**Financial Statements**"). The Financial Statements, including the comparative figures, were prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board (IASB). References to the symbol "CAD$" mean the Canadian dollar. References to the symbol "NIS" mean the New Israeli Shekel, the official currency of Israel and functional currency of the Company. Except as otherwise set out herein, all amounts expressed herein are in thousands of United States dollars, denominated by "$" or "US$", the presentation currency of the Company. As a result of the rounding of dollar differences, certain total dollar amounts in this MD&A may not add exactly to their constituent amounts. Throughout this MD&A, percentage changes are calculated using numbers rounded as they appear. Readers are cautioned that this MD&A contains certain forward-looking information. Please see the "Forward Looking Statements" section.

The information in this MD&A is current as of June 29, 2026, unless otherwise noted and the Financial Statements were approved for filing by the board of directors on June 29, 2026.

Overview

VVT MED INC. (formerly known as DXI Capital Corp.) is a public company trading on the TSX Venture Exchange ("**TSXV**" or the "**Exchange**") in Canada under the symbol of "VVTM". The address of its registered office is 404 – 999 Canada Place, Vancouver, British Columbia. The Company and its business as presented are the result of the Reverse Takeover Transaction (the "**RTO**") of VVT MED INC. by V.V.T. MED LTD ("**VVT**").
V.V.T. MED LTD is an Israeli-based private company incorporated under the laws of the State of Israel on June 14, 2007, company number 513991166. VVT's head and registered office is located at Hasadna 6, Kfar-Saba, Israel. VVT is a medical device company that develops, manufactures, and commercializes minimally invasive, non-thermal, non-tumescent solutions for the treatment of varicose veins. VVT's products, which received the Food and Drug Administration (the "**FDA**") approval, have a wide range of competitive advantages over alternatives, including fast and painless treatment without anesthesia and immediate results and recovery.

The business of the Company underwent a fundamental change on July 22, 2025, with the closing of the RTO, as described herein. For accounting purposes, VVT is considered the accounting acquirer, and VVT Med Inc. is considered the acquired company. The Company continued the business of VVT following the RTO, since the Company's operations did not constitute a business, the acquisition of the Company is not a business combination pursuant to IFRS 3 and the transaction is accounted for as a reverse takeover of the publicly traded company.

Since its establishment, the Company has not generated significant revenues from sales. As of December 31, 2025 and 2024, the Company had incurred a retained deficit of $24,638 and $20,662, respectively. The Company expects to continue to fund its operations through financing activities and through revenues from customers. The Company is taking action in order to obtain additional sources of financing in order to enable the continuation of the Company's operations beyond the abovementioned period. These sources may include, inter alia: (a) business development activity, which is intended for the performance of a strategic move; (b) a public recruitment of equity or debt; (c) the start of sales and the expansion of the marketing activity for its products and the imbedding thereof in the markets; and (d) the receipt of government grants for development projects. In light of the aforesaid, there are significant doubts regarding the Company's continued existence as a going concern. The consolidated financial statements do not include any adjustments to the carrying amounts and classifications of assets and liabilities that would result if the Company were unable to continue as a going concern.

Since October 7, 2023, Israel has been engaged in armed conflict with Hamas, a terror militant group in the Gaza Strip, alongside ongoing hostilities with Hezbollah operating from Lebanon. On June 13, 2025, the conflict escalated into direct military hostilities between Israel and Iran, increasing military activity across the region.

Overview (cont.)

Subsequently, on February 28, 2026, Israel and the United States launched coordinated military operations targeting Iran. On April 8, 2026, a suspension of hostilities was announced between the parties involved with Iran conflict. While this development may reduce immediate military activity, the situation in the region remains uncertain and could evolve. These developments have resulted in heightened security tensions and disruptions to business and economic activity throughout the area. Despite these circumstances, the Company has continued to operate its business activities in Israel.

Description of the Business

The Company operations are conducted through V.V.T. MED LTD, its fully-owned subsidiary. VVT is a medical device company, focused on developing and commercializing a range of minimally invasive technologies for treating varicose veins. VVT's research and development activities are based in Israel.

The Company proudly boasts three products within its portfolio that have achieved commercial production status and are currently accessible in the market. These products have undergone meticulous design processes, obtaining regulatory approvals across multiple countries. Their availability in the market signifies their contribution to enhancing the well-being of patients and healthcare professionals globally.

The Company develops, manufactures, and commercializes minimally invasive, non-thermal, non-tumescent ("**NT-NT**") solutions for the treatment of varicose veins. Products have a wide range of competitive advantages over alternatives including fast and painless treatment without anesthesia and immediate results and recovery.

The products are backed by wholly owned extensive IP portfolio of patents and strong clinical evidence. The products are market-ready for United States of America, Korea, Brazil, India, Europe and Israel.

The Company's product line centers around its exclusive ScleroSafe platform, which incorporates its innovative double-lumen catheter and inverse action dual syringe mechanism. This platform boasts high adaptability, enabling the administration of various endovenous chemical ablations (ECA) substances such as liquid sclerosant and foam by healthcare professionals.

Additionally, the Company offers the V-Block embolization device designed for treating Great Saphenous Vein (GSV) reflux disease and valve incompetence.

The Company was founded by Mr. Zeev Brandeis, an inventor listed on several international patents within this industry, who held executive positions in the Israeli hi-tech industry, with over 20 years of experience in product development and medical devices. Zeev, together with a group of leading vascular surgeons and interventional radiologists was the driving force behind the development of a family of innovative and minimally invasive technologies to treat incompetence, reflux, and chronic venous disorders.

The Company's board of directors consists of: (1) Mr. Yair Aloni, who is Chairman of the Board and has over 30 years of experience in Israeli and international start-ups; (2) Mr. Stephen Gledhill, who serves on the board of directors and as executive officer of numerous public companies listed on the CSE and TSXV; (3) Mrs. Sophie Galper Komet, who serves on the board of directors of numerous public companies and financial institutions, both on the Toronto Stock Exchange and Tel Aviv Stock Exchange; (4) Mr. Doron Birger, who has over 35 years of extensive experience as CEO ,Chairman and director of many Israeli technology companies , public both on TASE and NASDAQ and private ,mainly in the life science field and (5) Mr. Erez Tetro, who is also the CEO, and is an experienced executive with over 16 years working in the healthcare industry.

The Company has 8 employees: CEO, CFO, COO, VP R&D, R&D engineer, QA&RA Director, VP Global Marketing & Customer Success Manager and VP of Sales.

Reverse Takeover

On October 1, 2024, the Company entered into a definitive agreement dated September 30, 2024 (the "**Definitive Agreement**") with:

(i) V.V.T. MED LTD; and
(ii) EXITEAM ACQUISITION CORP. ("**EAC**"), a Canadian company incorporated under the BCBCA on March 19, 2020. Its principal business activity is raising funds for VVT's Transaction (as defined below);

Pursuant to the Definitive Agreement, the Company has agreed to acquire all of the issued and outstanding shares in the capital of VVT (the "**VVT Shares**") and EAC (the "**EAC Shares**"), as well as all other issued securities of VVT and EAC (the "**Transaction**"). Following the completion of the Transaction, the Company (the "**Resulting Issuer**") will continue the business of VVT, being a new medical treatment for varicose veins and will be listed on the TSXV under the life sciences sector.

On May 21, 2025, the Company, VVT and EAC filed a filing statement, dated effective May 15, 2025, with the Exchange in connection with its previously announced reverse take-over transaction (the "**Filing Statement**"). The Filing Statement contains complete information regarding the RTO.

On July 16, 2025, the Company had changed its name to "VVT MED INC." - the Resulting Issuer.

On July 18, 2025, the Company completed its amalgamation with EAC (the "**Amalgamation**"). Pursuant to the Amalgamation, each common share in the capital of EAC was exchanged for one post-consolidation common share of the Company on a one-for-one basis.

On July 22, 2025, the Company completed the RTO with VVT. In connection with the RTO, the following share capital adjustments were affected:

- Company Consolidation: The common shares of the Company were consolidated on a 4.67-for-1 basis, whereby every 4.67 pre-consolidation common shares were exchanged for one post-consolidation common share.
- VVT Share Exchange: Each common share in the capital of VVT was exchanged for 3.226 post-consolidation common shares of the Company.

Pursuant to the Transaction: (i) 2,053,571 VVT Med Inc. Shares were issued to creditors of the VVT Med Inc. in settlement of $843 (equivalent to CAD$1,150) of debt, at a deemed price of CAD$0.56 per VVT Med Inc. Share; (ii) 14,068,876 VVT Med Inc. Shares were issued in exchange for the outstanding EAC Shares (including 6,955,498 VVT Med Inc. Shares issued to holders of EAC subscription receipts); and (iii) 47,955,362 VVT Med Inc. Shares were issued to holders of the VVT Shares (including those issued upon conversion of the outstanding VVT convertible debentures Series A and Series B).
Additionally, VVT Med Inc. has the following convertible securities issued and outstanding following the closing of the Transaction: (i) 1,489,131 stock options to purchase VVT Med Inc. Shares (see Note 15); (ii) 22,834,575 common share purchase warrants to purchase VVT Med Inc. Shares (see Note 11 to the Financial Statements); and (iii) 1,066,815 finder warrants to purchase VVT Med Inc. Shares (see Note 11 to the Financial Statements). Following the Transaction, there are 66,640,100 VVT Med Inc. Shares issued and outstanding.

For accounting purposes, VVT is considered the accounting acquirer, and the Company is considered the acquired company. Since the Company's operations do not constitute a business, the acquisition of the Company is not a business combination pursuant to IFRS 3 - Business Combinations, and the transaction is accounted for as a reverse takeover of the publicly traded company. A reverse takeover transaction involving a non-public operating company and non-operating public company is in substance a share-based payment transaction, rather than a business combination.

Reverse Takeover (cont.)

The reverse takeover was accounted for under IFRS 2 - Share-based Payments. Accordingly, the acquisition of the Company was accounted for at the fair value of the consideration transferred by the accounting acquirer, which is the fair value of the equity instruments of VVT would have had to issue to the owners of the Company to affect the transaction. The difference between the net liabilities acquired, and the fair value of the consideration granted was accounted for as a listing expense.
Furthermore, while the Amalgamation of EAC was legally executed with the Company, for accounting purposes, EAC is treated as if it amalgamated with VVT (the accounting acquirer). Conceptually, VVT and EAC are viewed on a combined basis as the acquiring group that effected the reverse takeover of the Company. Consequently, the historical financial assets and operations reflected in these statements are those of VVT, combined with the effects of the EAC amalgamation from the transaction date.

On July 31, 2025, at market open, the Company Shares commenced trading on the TSX Venture Exchange under the symbol "VVTM".

Significant Developments for the year ended December 31, 2025 and to the date of this report

On March 24, 2025, the Company, VVT and EAC, received conditional acceptance from the TSXV for the Transaction.

In Q1 2025, VVT entered discussions with the American Vein & Lymphatic Society (AVLS) leadership, including its newly elected president, regarding an endorsement letter for ScleroSafe. These efforts followed previous support from the American Venous Forum (AVF). VVT began working closely with coding consultants and the American Medical Association (AMA) to validate the use of a CPT code for reimbursement of ScleroSafe.

In Q1 2025, Portugal and North Macedonia placed repeat commercial orders, following successful initial introductions in Q4 2024. These recurring orders signal growing physician trust and early commercial traction.

On June 15, 2025, all outstanding VVT's convertible debentures Series A, including the accrued interest thereon, were converted into ordinary shares of VVT and on July 22, 2025, to ordinary share of the Company, in accordance with the terms of the debentures. The conversion of the Series A resulted in the issuance of 11,082,395 common shares and 7,807,287 Series A Warrants allowing the holder to purchase one common share of the Company.

On July 15, 2025, following the fulfillment of all closing conditions and in anticipation of the RTO transaction, all outstanding VVT's convertible debentures Series B, including the accrued interest thereon, were converted into ordinary shares of VVT and on July 22, 2025, to ordinary share of the Company, in accordance with the terms of the debentures. The conversion at a conversion price of CAD$0.56 per share of the Series B resulted in the issuance of 4,372,966 common shares and 4,372,966 Series B Warrants allowing the holder to purchase one common share of the Company.

In Q3 2025, R&D efforts shifted toward development of the V-Block Gen 2, a next-generation embolization device designed to expand indications and enhance performance. Simultaneously, VVT initiated efforts to qualify a second guidewire supplier to improve resilience across its supply chain.

On October 29, 2025, the Company had an initial order for several units of its flagship ScleroSafe™ technology from Northwell Health, one of the largest healthcare providers in the United States. This pivotal achievement validates the product's clinical value and marks a crucial entry into the U.S. public hospital market.

Significant Developments for the year ended December 31, 2025 and to the date of this report (cont.)

On November 11, 2025, the Company had entered into a five-year distribution agreement dated September 5, 2025 with Medworks India, a leading healthcare distributor in India, for its ScleroSafe™ medical device in the varicose vein treatment market. The distribution agreement commits Medworks India to purchase CAD$3.7 million worth of ScleroSafe™ units over a five-year period, with CAD $1.85 million under a "Buy & Pay" model, subject to the early termination of the Distribution Agreement. The Company's ScleroSafe™ received regulatory approval from the Central Drugs Standard Control Organization (CDSCO) under Directorate General of Health Services, Ministry of Health & Family Welfare, Government of India in 2022. In addition, the Company announced that, in collaboration with Promedika, its exclusive local representative, it has completed 150 ScleroSafe™ treatments in North Macedonia. This number of procedures provides meaningful evidence of efficacy under the product's European Union CE certification and marks an important step toward broader adoption across the European Economic Area (EEA).

In addition, the Company announced that it intends to issue 320,000 common shares at a deemed price of CAD$0.56 per share as compensation for advisory services rendered by certain consultants in connection with its public listing (the "**Shares for Services**"). In addition, the Company intends to enter into agreements with various vendors to settle up to CAD$720 of outstanding indebtedness through the issuance of up to 1,745,151 common shares at a price equal to the market price of CAD$0.31 per share (the "**Proposed Debt Settlement**"). The issuance of shares pursuant to the Shares for Services arrangement and the Proposed Debt Settlement is subject to approval by the TSXV. The shares will be subject to a statutory hold period of four months and one day, in accordance with applicable securities laws and TSXV policies. Completion of the Proposed Debt Settlement remains conditional upon the execution of definitive agreements and receipt of final approval from the TSXV.

On January 13, 2026, the Company has granted 400,000 Options to I3 Capital Group Ltd. ("**I3**"), a Toronto-based firm specializing in investor relations and capital markets advisory services, in connection with an investor relations agreement. Each Option is exercisable at a price of CAD$0.34 for one common share of the Company for a period of two (2) years from the date of grant and are being issued under the terms of the Company's Omnibus Plan. The Options, and any Common Shares issued upon exercise of the Options, are subject to a four-month and one day resale restriction from the date of grant under applicable securities laws and the policies of the TSX Venture Exchange. The Options are subject to a 12-month vesting schedule, with 25% of the Options vesting every three (3) months following the date of grant.

On March 18, 2026, the Company announced its intention to complete a non-brokered private placement offering of up to 12,000,000 units (each, a "**Unit**") at a price of CAD$0.25 per Unit for gross proceeds of up to CAD$3,000 (the "**Offering**"). Each Unit will consist of one common share of the Company (each, a "**Common Share**") and one-half of one common share purchase warrant (each whole warrant, a "**Warrant**"). Each whole Warrant will entitle the holder to acquire one additional Common Share at an exercise price of CAD$0.375 per Warrant Share for a period of 24 months from the date of issuance. The net proceeds from the Offering will be used to support expanded U.S. and global commercialization efforts, product manufacturing to accommodate anticipated demand, working capital and general corporate purposes. The securities issued pursuant to the Offering will be subject to a four-month hold period from the date of issuance in accordance with applicable securities laws and the policies of the TSX Venture Exchange. The Offering is subject to receipt of all necessary regulatory approvals, including the approval of the TSX Venture Exchange. The Company may pay finder's fees in connection with the Offering in accordance with applicable securities laws and the policies of the TSX Venture Exchange.

On April 15, 2026, the Company, further to its news release dated November 11, 2025, has closed its previously announced debt settlement (the "**Debt Settlement**") with various vendors of the Company (the "**Creditors**"). Pursuant to the Debt Settlement, the Company entered into debt settlement agreements with the Creditors to settle an aggregate of CAD$373 of debt owed by the Company to the Creditors by issuing an aggregate of 1,203,410 common shares of the Company at a deemed price of CAD$0.31 per share. The completion of the Debt Settlement remains subject to final acceptance by the Exchange. All securities issued pursuant to the Debt Settlement have been issued pursuant to a prospectus exemption and are subject to a four month and one day hold period that expires on August 16, 2026.

Significant Developments for the year ended December 31, 2025 and to the date of this report (cont.)

On April 17, 2026, the Company has made an application to the British Columbia Securities Commission to approve a temporary management cease trade order (the "**MCTO**") under National Policy 12-203 Cease Trade Orders for Continuous Disclosure Defaults ("**NP 12-203**"), which, if granted, will prohibit trading in securities of the Company by the chief executive officer and chief financial officer of the Company until such time as the Required Filings (as defined below) and all continuous disclosure requirements have been filed by the Company, and the MCTO has been lifted. During the period in which the MCTO is effective, the general public, who are not insiders of the Company, will continue to be able to trade in the Company's listed securities. The MCTO application has been made, but there is no guarantee or assurance that the MCTO will be granted.
The Company expects that it will be unable to file its audited annual financial statements for the year ended December 31, 2025, together with the related management's discussion and analysis and Chief Executive Officer and Chief Financial Officer certifications (collectively, the "**Required Filings**"), on or before the April 30, 2026 filing deadline (the "**Filing Deadline**"). The anticipated delay in filing the Required Filings is due to external circumstances beyond the Company's control. While the Company has worked diligently to meet its continuous disclosure obligations, the ongoing armed conflict in the Middle East has caused significant disruptions to the operational and administrative processes required to finalize the Company's annual reporting and audit. These regional challenges, which include restricted access to essential resources and personnel availability at the Company and various service providers in Israel, have necessitated an extension of the reporting timeline.
The Company remains committed to completing the filing as soon as practicable. The Company wishes to clarify that this delay is purely administrative in nature, does not arise from any disagreement with its auditors, and there are no material uncertainties regarding the Company's financial position. The Company anticipates that it will be in a position to remedy the default by filing the Required Filings on or before June 30, 2026. The MCTO will be in effect until the Required Filings are completed.

On April 22, 2026, the Company announced that, on April 21, 2026, it completed the first tranche of the Offering, issuing 4,262,654 Units at a price of CAD$0.25 per Unit for gross proceeds of CAD$1,066. In connection with the Offering, the Company paid certain eligible finders a cash fee of up to 8% of the gross proceeds raised in respect of the Offering from subscribers introduced by such finders to the Company, for a total of CAD$28. In addition, the Company issued to eligible finders such number of finder warrants (each, a "**Finder Warrant**") equal to 8% of the number of Units sold under the Offering to subscribers introduced by such finders to the Company, for a total of 111,200 Finder Warrants. Each Finder Warrant will entitle the holder to acquire one Common Share at an exercise price of CAD$0.375 per share for a period of 24 months following the date of issuance.
The Offering is subject to receipt of all necessary regulatory approvals, including the final approval of the TSX Venture Exchange.

On April 27, 2026, the Company announced it has entered into its largest European distribution agreement to date, a strategic exclusive distribution partnership with Uber Ros S.p.A. ("**Uber Ros**") for the commercialization of its ScleroSafe® system in Italy, Vatican City and the Republic of San Marino (the "**Territory**"). Under the terms of the agreement, signed on April 9, 2026, Uber Ros will serve as the Company's exclusive distributor in the Territory. The five-year agreement represents approximately CAD$2.3 million in potential revenue to the Company, based on agreed minimum purchase commitments, with a portion structured under a pay-or-buy mechanism that provides a defined level of commercial commitment from the distributor, subject to the terms of the agreement.
In addition to the commercial partnership, Uber Ros has joined the Company's previously announced non-brokered private placement financing as an investor, further aligning commercial execution with strategic investment, subject to customary conditions and, where required, final acceptance by the TSX Venture Exchange. This participation reflects the conviction of the Company's distribution partners in the long-term value of the Company's technology platform.

Significant Developments for the year ended December 31, 2025 and to the date of this report (cont.)

On May 1, 2026, the Company was granted a temporary MCTO by the British Columbia Securities Commission ("**BCSC**") with respect to the Required Filings. The MCTO does not affect the ability of shareholders who are not employees or insiders of the Company to trade their securities of the Company. The MCTO prohibits the chief executive officer and the chief financial officer of the Company from trading in securities of the Company for so long as the Required Filings are not filed. Additionally, for so long as the Required Filings are not filed, the Company will not, directly or indirectly, issue securities or acquire securities from an insider or employee of the Company except in accordance with legally binding obligations to do so existing as of May 1, 2026.

On June 11, 2026, the Company announced its entry into the Dominican Republic market through a Trial Distribution and Evaluation Agreement (the "**DR Agreement**") with Antilles Medical ("**Antilles**"), a local distributor with established clinical and commercial infrastructure in the region. Under the DR Agreement, Antilles has been appointed as the Company's exclusive distributor for ScleroSafe in the Dominican Republic for an initial evaluation period. The arrangement includes an initial purchase order for ScleroSafe Full Sets, reflecting Antilles' commercial commitment to the market entry process. The DR Agreement establishes a defined pathway to a full five-year exclusive distribution partnership, subject to the parties reaching mutually agreed terms prior to the conclusion of the evaluation period. Antilles assumes full responsibilities as both distributor and importer under applicable local regulatory requirements, and its personnel are required to complete a comprehensive training and certification program provided by VVT Med Inc. prior to commencing any clinical activity.

Critical Accounting Estimates and Judgments

Certain accounting policies require that management make appropriate decisions with respect to the formulation of estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. Management reviews its estimates and judgments on a regular basis. The emergence of new information and changed circumstances may result in actual results or changes to estimates that differ materially from current estimates. There have been no significant changes in the Company's critical accounting estimates and judgments applied during the year ended December 31, 2025 relative to the most recent annual financial statements as at and for the year ended December 31, 2024.

Disclosure Controls and Internal Controls over Financial Reporting

The Company has designed disclosure controls and procedures ("**DCP**") to provide reasonable assurance that: (i) material information relating to the Company is made known to the Company's Chief Executive Officer and Chief Financial Officer by others, particularly during the period in which the annual and interim filings are being prepared; and (ii) information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time period specified in securities legislation. During the financial year end of the Company, the appropriate officers have evaluated, or caused to be evaluated under their supervision, the effectiveness of the Company's disclosure controls and procedures and have concluded that the Company's disclosure controls and procedures are effective as of December 31, 2025.

The Company has designed internal controls over financial reporting ("**ICFR**") to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. During the financial year end of the Company, the appropriate officers have evaluated, or caused to be evaluated under their supervision, the effectiveness of the Company's internal controls over financial reporting and concluded that the Company's internal controls over financial reporting are effective as of December 31, 2025. The Company is required to disclose herein any change in the Company's ICFR that occurred during the recent fiscal period that has materially affected, or is reasonably likely to materially affect, the Company's ICFR.

Disclosure Controls and Internal Controls over Financial Reporting (cont.)

No material changes in the Company's DCP and its ICFR were identified during the year ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting

Selected Annual Information

The following table provides a brief summary of the Company's financial information for each of the three most recently completed financial years. For more detailed information, please refer to the Financial Statements of the Company for the years ended December 31, 2025, 2024 and 2023:

	Years ended December 31		
(US$000s)	**2025**	**2024**	**2023**
Revenues	89	492	81
Net loss	(3,976)	(1,040)	(2,196)
Basic and diluted loss per share	(0.081)	(0.038)	(0.50)
Total assets	916	985	889
Total non-current liabilities	245	656	1,699

Results of Operations

The following table summarizes the results of operations of the Company for the years ended December 31, 2025, 2024 and 2023:

	Years ended December 31		
(US$000s)	**2025**	**2024**	**2023**
Revenues	89	492	41
Cost of revenues	(26)	(118)	(36)
Gross profit	63	374	5
Research and development expenses	(451)	(263)	(333)
General and administrative expenses	(2,073)	(1,191)	(1,434)
Sales and marketing expenses	(124)	(26)	(21)
Listing expenses	(2,350)	-	-
Other income	-	10	38
Operating loss	(4,935)	(1,096)	(1,745)
Financial income (expenses), net	959	56	(451)
Net loss	(3,976)	(1,040)	(2,196)
Comprehensive loss	(4,357)	(1,024)	(2,116)
Basic comprehensive loss per share	(0.081)	(0.038)	(0.50)

Revenues

Total revenue for the years ended December 31, 2025 and 2024, decreased by $403. The decrease is primarily attributable to the large order placed by the U.S. distributor in Q1 2024. This order was made pursuant to a distribution agreement signed during that period and was intended to stock inventory in preparation for the product launch and market penetration efforts in the United States. As a result, Q1 2024 revenues were significantly higher than typical revenue levels. The Company expects that the U.S. distributor will continue its orders in the last quarter of 2026.

Results of Operations (cont.)

Operating Expenses

Research and development expenses for the years ended December 31, 2025 and 2024, increased by $188. The main reason for the increase was the Company's investment and development efforts dedicated to advancing its next-generation medical device pipeline, specifically the V-block Gen 2 system. This strategic surge in R&D activity primarily drove higher engineering sub-contractor costs, clinical testing preparation, and specialized consulting fees required to accelerate the product's regulatory and manufacturing readiness.

General and administrative expenses for the years ended December 31, 2025 and 2024 increased by $882. Salaries and social benefits increased by $284 (from $832 to $1,116), reflecting past commitments to the employees of the Company and the expansion of the corporate infrastructure and management team to support expanding operational scale. Other Expenses increased by $207 (from $87 to $294), due to expanded corporate activity and related to public company expenses. Professional services increased by $311 (from $110 to $421), primarily driven by elevated legal, accounting, and consulting fees associated with corporate restructuring, audit requirements, and public listing compliance.

During the year ended December 31, 2025, the Company incurred non-cash listing expenses of $1,955 and cash expenses of $395, in connection with the reverse takeover (RTO) transaction. Because VVT Med Inc. did not meet the definition of a business under IFRS 3, the transaction was accounted for as a share-based payment in accordance with IFRS 2. Consequently, the transaction costs were measured based on the fair value of the equity instruments deemed to be issued to the accounting acquirer (VVT Med Inc.).
The listing expenses consist of the following components:

- Reverse Takeover Transaction Cost ($1,955): This represents the premium paid for acquiring the public listing status. It was calculated based on the fair value of the consideration, consisting of 4,615,862 VVT Med Inc. shares valued at CAD$0.56 per share (totaling $1,896), plus the absorption of net liabilities assumed from VVT Med Inc. amounting to $59 at the closing date.
- Related issuance expenses ($395): The Company incurred an additional $395 in legal, accounting, and other fees directly attributable to completing the public listing process and executing the RTO.

Financial Expenses and Income

For the year ended December 31, 2025, the Company recorded net financing income of $959, compared to a net financing expense of $56 for the year ended December 31, 2024.

The primary drivers behind this variance were:

- Change in Fair Value of Derivative Liability: The Company recognized a non-cash gain of $1,528 during 2025 (compared to $15 in 2024) due to the revaluation of derivative liabilities. This gain reflects changes in the underlying valuation assumptions of embedded features within outstanding warrants.
- Financing Expenses on Convertible Debentures and Loans: Total interest expenses on convertible debentures reached $302 in 2025 (comprising $100 and $202 across for Series A and B) compared to $283 in 2024. Concurrently, interest expenses on loans remained stable at $108 for both periods, reflecting ongoing debt service obligations linked to outstanding convertible debt and funding arrangements.
- Foreign Exchange Fluctuations: Non-operating foreign exchange translation shifts reversed during the period. The Company recorded a financing expense from exchange rate differences of $105 in 2025, contrasted with a financing income of $453 in 2024, stemming from the revaluation of monetary assets and liabilities denominated in non-functional currencies.
- Lease Obligations: Interest expenses on lease liabilities increased slightly to $53 (from $47 in 2024).

Results of Operations (cont.)

Income Taxes

Presently, the Company does not expect to pay current taxes into the foreseeable future based on existing tax pools, planned capital activities and current forecasts of taxable income. The Company did not record any deferred taxes as it did not yet foresee sufficient income in the foreseeable future.

Summary of Quarterly Results

The following table sets out certain unaudited selected financial information for the eight most recently completed quarters:

	Three months ended							
(US$000s)	31/12/2025	30/09/2025	30/06/2025	31/03/2025	31/12/2024	30/09/2024	30/06/2024	31/03/2024
Revenue	2	7	14	66	23	15	25	429
Loss for the period	(253)	(2,885)	(460)	(378)	(249)	(414)	(279)	(97)
Basic loss per share	(0.005)	(0.059)	(0.009)	(0.008)	(0.01)	(0.01)	(0.01)	(0.02)
Diluted loss per share	(0.005)	(0.059)	(0.009)	(0.008)	(0.01)	(0.01)	(0.01)	(0.02)

Liquidity and Capital Resources

The Financial Statements are prepared by management in accordance with IFRS on a going concern basis, which assumes that the Company will be able to continue to operate for the foreseeable future. However, the Company is exposed in varying degrees to a variety of financial risks, including liquidity risk and market risks with respect to its ability to raise capital through equity markets under acceptable terms and conditions.

The Company has incurred losses since incorporation, and as of December 31, 2025 had an accumulated deficit of $24,638 (2024 - $20,662). The Company is in the research and development phase for some of its products, while others are already in the stage where they are ready for sale and commercial distribution.

Liquidity

The Company believes it has sufficient liquidity to support continued operations and meet its short-term liabilities and commitments as they become due. Liquidity is primarily influenced by the level of research and development expenditures, the amount of spending on marketing initiatives, and, the ability to obtain external sources of financing, and sales of the Company's products. The Company's objectives when managing its liquidity and capital resources are to safeguard its ability to continue as a going concern and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk.

The Company monitors its liquidity on a continuous basis to ensure there is sufficient capital to meet business requirements and to provide shareholder value. In the longer term, the Company's ability to continue as a going concern is dependent upon its ability to continue generating positive cash flow and generate net income or raise additional capital and then continue generating positive cash flow and generate net income. If the Company requires additional capital, there can be no assurance that equity or debt financings will be available to it in the future on terms satisfactory to the Company or at all. Circumstances that could impair the Company's ability to raise additional funds include general economic conditions and its ability to expand operations worldwide.

Capital Resources

The Company does not currently have any commitments for capital expenditures.

With the anticipated Private Placement, as well as no current commitments for capital expenditures, the Company is expected to have adequate capital resources for the next twelve months.

Cash Flow Statement

	Year ended December 31	
(US$000s)	**2025**	**2024**
Cash provided by (used in) the following activities:		
Operating activities	(3,161)	(911)
Investing activities	(4)	-
Financing activities	3,027	960
Effect of foreign exchange rate and currencies on cash	179	(16)
Change in cash	41	33
Cash at the beginning of the year	104	71
Cash at the end of the year	145	104

Operating Activities

For the year ended December 31, 2025, net cash used in operating activities was $3,161, compared to $911 for the year ended December 31, 2024. This increase in cash burn of $2,250 is primarily driven by the expansion of corporate operations and listing milestones, as detailed below:

Net Loss and Non-Cash Adjustments: The net loss for 2025 widened significantly to $3,976 (compared to $1,040 in 2024). However, this accounting loss includes significant non-cash and transaction-related items that did not impact current liquidity. Most notably, the Company incurred $1,955 in non-cash Reverse Takeover (RTO) transaction costs, alongside $469 in financing expenses (compared to $136 in 2024), which were partially offset by a non-cash gain of $1,528 from the change in fair value of derivatives.

Excluding the non-recurring legal and professional fee components embedded within the transaction restructuring, the baseline operational cash burn aligns with management's budget for clinical and corporate development post-amalgamation.

Investing Activities

For the years ended December 31, 2025 and 2024, total cash used in investing activities was $4 and $ nil, respectively.

Financing Activities

For the year ended December 31, 2025, net cash provided by financing activities was $3,027, representing a substantial increase compared to $960 for the year ended December 31, 2024. This capital inflow was instrumental in strengthening the Company's balance sheet post-merger and was driven by the following key activities:

- The primary driver of financing cash flow in 2025 was the successful completion of the reverse takeover transaction on July 22, 2025, which injected $2,234 of cash into the combined entity.
- The Company generated $1,120 from the issuance of Series B convertible debentures (compared to $383 in 2024), underscoring sustained investor support during the transition phase into a public company. Concurrently, the Company drew down $106 in standard bank/third-party loans, while actively managing its leverage through the strategic repayment of $259 in existing loan liabilities.

Statement of Financial Position

The following table sets out certain selected financial position data as at December 31, 2025 and 2024:

(US$000s)	December 31, 2025	December 31, 2024
Total current assets	496	370
Total non-current assets	420	615
Total assets	916	985
Total current liabilities	2,491	6,709
Total non-current liabilities	245	656
Total liabilities	2,736	7,365
Total shareholders' deficit	(1,820)	(6,380)
Total liabiliteis and deficit	916	985

As at December 31, 2025, the Company had total assets of $916 (2024 - $985), a decrease of $69.

As at December 31, 2025, the Company had total liabilities of $2,736 (2024 - $7,365), a decrease of $4,629. The decrease in total liabilities resulted mainly from the conversion of Series A and Series B including the capitalization of both convertible and non-convertible loans.

Off-Balance Sheet Arrangements

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

Commitments

As of the date of this MD&A, the Company does not have any commitments not disclosed and accounted for in the Financial Statements.

Related Parties

Other Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party's making of financial or operational decisions, or if both parties are controlled by the same third party. The Company has transactions with key management personnel, as summarized below.

Transactions with related parties, if any, are incurred in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and approved by the related parties.

Key Management

The Company's key management personnel have authority and responsibility for overseeing, planning, directing and controlling the activities of the Company. Key management personnel include members of the board of directors, and executive officers. Compensation of key management personnel may include short-term and long-term benefits. Short-term benefits include salaries and consulting fees, while long-term benefits include stock options.

Liabilities:

	As of December 31	
	2025	2024
Trade payables - Directors	18	121
Other payables - Employees	24	39

Related Parties (cont.)

Compensation provided to current key management and directors as follows:

	Year ended December 31	
	2025	**2024**
Directors who are not employed by the Company	18	-
Short term benefits to employees	449	322
Long term benefits to employees	102	83
Total	**569**	**405**
Number of people	5	3

	Three months ended December 31	
	2025	**2024**
Directors who are not employed by the Company	18	-
Short term benefits	107	89
Long term benefits	27	22
Total	**152**	**111**
Number of people	5	3

Outstanding Share Data And Fully Diluted Share Data

The Company's authorized share capital consists of an unlimited number of common shares without par value and an unlimited number of preferred shares that are non-voting, subject to non-cumulative dividends at a rate set by the Board at the time of their issuance, redeemable at paid up capital both the holder's and the Company's option.

A summary of the change in the issued and outstanding Common Shares for the years ended December 31, 2025 and 2024, as follows:

	Issued shares (*)
Outstanding shares as of January 1, 2024	**2,562,291**
Outstanding shares as of December 31, 2024	**2,562,291**
Issued shares of VVT MED LTD in the RTO	32,500,000
Issued shares of VVT MED LTD due to Series A conversion	11,082,395
Issued shares of VVT MED LTD due to Series B conversion	4,372,967
Issued shares of EAC in the RTO	7,113,378
Issued shares of EAC Subscription Receipts	6,955,498
Issued shares due to debt settlement	2,053,571
Warrants exercised during the year	293,250
Outstanding shares as of December 31, 2025	**66,933,350**

(*) The shares of the Company were reversed split in a 4.67 exchange ratio and the shares of VVT split in a 3.226 exchange ratio. The shares have been retroactively presented in all periods.

Outstanding Share Data And Fully Diluted Share Data (cont.)

The following table summarizes the total number of potentially dilutive financial instruments outstanding as of December 31, 2025, which could convert into Common Shares in the future:

	Quantity	Exercise price
RTO Warrants	10,654,321	$CAD0.84
CD Warrants	12,180,254	$CAD0.84
Finder Warrants	456,750	$CAD0.02
Finder Warrants	316,815	$CAD0.56
Total Warrants	**23,608,140**	

	Quantity	Exercise price
Options	1,489,131	CAD$1.07
Total Options	**1,489,131**	

Financial Instruments and Risk Management

Fair Values

On December 31, 2025, the Company's financial instruments consist of cash and cash equivalents, trade receivables, other receivables, trade payables, other payables, convertible debentures, short-term loan and long-term loan. The fair values of cash, receivable, and payable items approximate their carrying values due to the relatively short-term maturity of these instruments.

Fair Value Hierarchy

Financial instruments recorded at fair value are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

During the year ended December 31, 2025 and 2024, there were no transfers of amounts between levels.

Financial Instruments and Risk Management (cont.)

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk;
- Interest rate risk; and
- Foreign currency risk.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfil its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash, short term deposits, loan to franchise partners and accounts receivable.

All of the Company's cash is held at a financial institution. Management believes that the risk of loss held at the financial institution is minimal.

The net carrying value of accounts receivable as at the period ended represents the Company's maximum exposure to credit risk. The Company assessed the credit loss risk to be nominal. The maximum credit risk exposure associated with cash, short-term deposits, and accounts receivable is the total carrying value.

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 currently settles its financial obligations with cash.

The Company manages its liquidity risk by reviewing its capital requirements on an ongoing basis. There have been no changes in the Company's strategy with respect to credit/liquidity risk in the year.

Market Risk

The market in which VVT participates is highly competitive and VVT's business and financial condition may be affected if VVT cannot compete effectively.

The market for VVT's product is highly competitive and rapidly evolving. VVT faces competition from large and established medical technology companies and start-ups that may offer similar services, products, and use cases. In addition, there may be companies who are developing similar technology of which VVT is currently unaware. Some established competitors with greater financial and operating resources, brand recognition, global reach, and larger customer bases may be able to develop a more comprehensive product with attractive pricing options or make acquisitions to offer a more comprehensive product or service offering, which may allow them to effectively compete with VVT's product. VVT expects competition to intensify in the future with the introduction of new technologies, new market entrants and the evolution of current and proposed technological solutions. Increased competition, pricing pressure and more advanced products could result in reduced sales, reduced margins, losses, and the failure of VVT to maintain its current customer base or a successful entrance of its subsequent products.

If VVT fails to predict customers' needs and demands, and achieve further market acceptance in the industry it serves, or if a competitor establishes a similar technological solution that is more widely adopted, VVT's ability to grow its business and operations could be harmed. In order for VVT to differentiate its offering from these competitors, among others, VVT believes, in part, that it must continue developing and enhancing its products and engage current and potential customers, particularly large enterprises, may elect to develop or acquire their own solutions for the treatment of varicose veins that would reduce or eliminate the demand for VVT's products.

VVT is reliant on key personnel with specialized expertise, and the inability to retain and attract key personnel will materially adversely affect the business.

The success of VVT depends on the expertise, leadership and efforts of its executive officers and key employees. VVT relies on its management team and other key employees in the areas of marketing and sales, information technology and security, and research and development, among others. In addition, in order to execute its growth plan, VVT must attract and retain highly qualified personnel. Competition for these personnel in Israel, Canada and in other locations where VVT currently maintains and expects to maintain teams and operations is intense, especially for employees experienced in designing and developing medical technology products. The loss of one or more of VVT's executive officers, especially the CEO or the CFO, could disrupt VVT's business and negatively impact its revenues and operational effectiveness. An inability to attract and retain talented personnel will have a material adverse effect on VVT's performance or its scalability opportunities.

Failure to adequately protect VVT's intellectual property could adversely affect its business, financial condition, and results of operations.

VVT's business will depend substantially on its intellectual property, including the VVT's licensed patents (both current and pending) and other licensed rights. Consequently, the protection of VVT's licensed intellectual property rights is expected to be crucial to the success of its business. Policing and enforcing VVT's intellectual property rights is difficult and may not always be effective. In particular, VVT may need to enforce its licensed rights under the laws of countries that do not protect proprietary rights to as great an extent as does the laws of the United States, Canada and Israel.

Numerous patents and pending patent applications owned by others exist in the field where VVT has commercialized, and expects to further commercialize its licensed technology, and sell its products or services. These patents and patent applications might have priority over the VVT's intellectual property applications and could subject VVT's applications to invalidation and/or prevent one or more of such applications to be granted to provide an enforceable patent right. VVT may be unable to obtain adequate patent protection or any patent protection for technology claimed in its applications or such patent protection may not be obtained quickly enough to meet its business needs.

Furthermore, the patent prosecution process is expensive, time-consuming, and complex. VVT therefore may not be able to prepare, file, prosecute, maintain, and enforce all necessary or desirable patents or patent applications at a reasonable cost or in a timely manner. The scope of any patent protection obtained can be reinterpreted after issuance and any issued patents may be invalidated. Even if VVT's patent applications do result in the successful issuance of patents, they may not necessarily be issued in a form that is sufficiently broad to protect VVT's technology, prevent competitors or other third parties from competing with VVT, and/or otherwise provide any competitive advantage.

In addition, any intellectual property rights, including VVT's licensed patent rights, may be challenged, narrowed, invalidated, held unenforceable and/or circumvented in litigation or other administrative proceedings, including, where applicable, opposition, re-examination, *inter partes* review, post-grant review, interference, nullification and derivation proceedings and equivalent proceedings in foreign jurisdictions. Such challenges to VVT's intellectual property rights may result in substantial cost and require significant time from management, even if the eventual outcome is favorable. VVT may be required to spend significant resources to monitor and protect its intellectual property and other proprietary rights. VVT may conclude that in at least some instances the benefits of protecting its intellectual property or other proprietary rights may be outweighed by the expense or distraction to its management. Effective protection of VVT's intellectual property rights including its licensed patent rights may not be available in every country in which its products or services are available. The laws of some countries may not be as protective of intellectual property rights as those in the United States, Canada and Israel, and mechanisms for enforcement of intellectual property rights may be inadequate. Accordingly, any enforceable patent or other intellectual property rights obtained may be lost or no longer provide VVT meaningful competitive advantages.

Third parties may also legitimately and independently develop products, services, and technology similar to, or duplicative of, VVT's products and services. Despite VVT's best efforts, third parties may attempt to disclose, obtain, copy, or use VVT's intellectual property rights or other proprietary information or technology without authorization. Efforts to protect intellectual property and other proprietary rights may not prevent such unauthorized disclosure or use, misappropriation, infringement, reverse engineering or other infringement of these rights.

VVT may initiate claims or litigation against third parties for infringement, misappropriation or other violation of its intellectual property rights or other proprietary rights or to establish the validity of its intellectual property rights or other proprietary rights. Any such litigation, whether or not resolved in VVT's favor, could be time-consuming, result in significant expense to and divert the efforts of technical and management personnel. Furthermore, attempts to enforce intellectual property rights against third parties could also provoke these third parties to assert their own intellectual property rights or other claims against VVT or result in a holding that invalidates or narrows the scope of VVT's rights, in whole or in part.

In addition to protection under intellectual property laws, VVT will rely on confidentiality or license agreements that it will generally enter into with corporate partners, employees, consultants, contractors, advisors, vendors and customers. VVT will generally limit access to and distribution of its proprietary information. However, VVT cannot be certain that it will have entered into such agreements with all parties who may have or had access to confidential information or that the agreements entered into will not be breached or challenged or that such breaches will be detected. Furthermore, non-disclosure provisions can be difficult to enforce, and even if successfully enforced, may not be entirely effective. VVT cannot guarantee that any of the measures it will have taken will prevent infringement, misappropriation, or other violation of its technology or other intellectual property or proprietary rights. VVT also may be a target for a cyberattack, which poses a risk of unauthorized access to, and misappropriation of, its proprietary and competitively sensitive information.

Intellectual property infringement assertions by third parties could result in significant costs and adversely affect VVT's business, financial condition, results of operations, and reputation.

VVT's success and ability to compete also depend in part on its ability to operate without infringing, misappropriating or otherwise violating the intellectual property or other proprietary rights of third parties. These third-party rights may preclude VVT from making, using or selling its commercial products and services. This risk exists independently of VVT's licensed patent rights. Current and potential competitors may own patents, copyrights, trademarks and trade secrets and may pursue litigation based on allegations of infringement, misappropriation or other violations of intellectual property rights. VVT may receive notices that claim it has infringed, misappropriated, misused or otherwise violated other parties' intellectual property rights. These other parties may have the capability to dedicate substantial resources to enforce their intellectual property rights and to defend claims that may be brought against them. Although to-date VVT has not received any notices that it has violated intellectual rights of any third party, to the extent VVT gains greater commercial visibility, VVT faces a higher risk of being the subject of intellectual property infringement, misappropriation or other violation claims. Any intellectual property litigation initiated against VVT may involve non-practicing patent assertion entities or companies who use their patents as a means to extract license fees by threatening costly litigation or that have minimal operations or relevant product revenue. VVT's licensed patent rights may provide little or no deterrence or protection against such non-practicing patent assertion entities. Moreover, there could be public announcements of the results of hearings, motions or other interim proceedings or developments in any dispute involving intellectual property rights. If securities analysts or investors perceive these announcements or results to be negative, it could have a substantial adverse effect on the price of the Resulting Issuer Shares.

There may be third-party intellectual property rights, including issued patents or pending patent applications that cover significant aspects of VVT's technologies, products, services or business methods. There may also be third-party intellectual property rights, including trademark registrations, pending trademark applications and non-

registered common law use, which covers the way VVT markets its goods and services. VVT may also be exposed to increased risk of being the subject of intellectual property infringement, misappropriation, or other violation claims as a result of acquisitions and/or its incorporation of third-party products and services (e.g., hardware and software) into its product and service offerings. VVT has a lower level of visibility into the development process with respect to such third-party products and services or the care taken by any third-party to safeguard their products and services against infringement, misappropriation, or other intellectual property violation risks. Claims in this regard could also result in having to stop using technology or product branding found to be in violation of a third-party's rights. VVT could be required to seek a license for third-party intellectual property, which may not be available on commercially reasonable terms or at all. Even if a license were available, VVT could be required to pay significant royalties, which would increase its expenses.

As a result of any such allegations of intellectual property infringement, VVT may need to redesign or rebrand its products and services. This may include developing alternative non-infringing technology or branding, which could require significant effort and expense. If VVT cannot license rights or develop alternative technology for any infringing aspect of its business, it would be forced to limit or stop sales of one or more of its products or services, it could lose existing customers, and it may be unable to compete effectively. Any of these results would harm VVT's business, financial condition, and results of operations.

Further, VVT's agreements with customers and other third parties may include indemnification provisions under which it agrees to indemnify them for losses suffered or incurred as a result of third- party claims of intellectual property infringement, misappropriation, or other violations of intellectual property rights, damages caused by VVT to property or persons, or other liabilities relating to or arising from its platforms, services, or other contractual obligations. Large indemnity payments could harm the business, financial condition and operations of VVT. Any dispute with a customer with respect to such obligations could have adverse effects on its relationship with that customer, other existing customers and new customers which could harm the business and results of operations.

VVT is subject to substantial government regulation that could have a material adverse effect on its business.

VVT's products are regulated major regulatory bodies like the FDA, CE, ANVISA, TGA, and CDSCO. The production and marketing of VVT's products and its ongoing research and development are subject to extensive regulation and review by numerous governmental authorities both in North America and abroad. These regulations govern the design, development, testing, clinical trials, premarket clearance and approval, safety, marketing and registration of medical devices, in addition to regulating manufacturing practices, reporting, labeling and recordkeeping procedures. The regulatory process requires significant time, effort and expenditures to bring VVT's products to market, and VVT cannot be assured that any of its products will be approved. The regulations to which VVT is subject to are complex and have tended to become more stringent over time. VVT's failure to comply with applicable regulatory requirements could result in these governmental authorities issuing warning letters or untitled letters, imposing fines and penalties, preventing VVT from manufacturing or selling products, bringing civil or criminal charges against VVT, delaying the introduction of new products into the market, recalling or seizing products or withdrawing, suspending or denying approvals or clearances for its products.

If VVT experiences problems with, or is required to change its manufacturers, VVT may be unable to meet customer orders for its products in a timely manner or within its budget.

VVT does not have its own manufacturing facilities or capabilities. VVT's business is wholly reliant on third-party manufacturers and outsourcing of materials to build and produce its commercial products. If VVT is unable to receive adequate quantity or quality of its products on a timely basis, VVT's ability to become profitable may be adversely affected and VVT may not have adequate resources to execute its business strategy. VVT's third-party manufacturers may not prioritize the production of VVT's products compared to their larger customers, so VVT may experience

longer delays in receiving its requested orders. If one of VVT's third-party manufacturers is unable to manufacture or supply to VVT as expected or contractually obligated, it may have adverse effects on VVT.

Furthermore, if VVT is required to change the manufacturer of its products, it will be required to verify that the new manufacturer maintains facilities, procedures and operations that comply with its quality standards and applicable regulatory requirements, which could further impede VVT's ability to manufacture its products in a timely manner. Transitioning to a new manufacturer could be time-consuming and expensive, may result in interruptions in its operations and product delivery, could affect the performance specifications of its products or could require that VVT modify the design of those products. A change in manufacturer could trigger the requirement to submit and obtain a new 510(k) clearance from the FDA, or similar international regulatory authorization before implementing the change, which could cause substantial delays. The occurrence of any of these events could harm VVT's ability to meet the demand for its products in a timely and cost-effective manner. VVT cannot assure investors that any need to change manufacturers will not cause interruptions in its operations.

VVT may not receive, or may be delayed in receiving, the necessary clearances or approvals for future products or modifications to current products, and failure to timely obtain necessary clearances or approvals for its future products or modifications to current products would adversely affect the ability to grow VVT's business.

In the United States, before VVT can market a new medical device, or a new use of, new claim for or significant modification to an existing product, VVT must first receive either clearance under Section 510(k) of the FD&C Act or approval of a premarket approval ("**PMA**"), from the FDA, unless an exemption applies. In the 510(k) clearance process, before a device may be marketed, the FDA must determine that a proposed device is "substantially equivalent" to a legally-marketed "predicate" device, which includes a device that has been previously cleared through the 510(k) process, a device that was legally marketed before May 28, 1976 (pre-amendments device), a device that was originally on the U.S. market pursuant to an approved PMA and later down-classified, or a 510(k)-exempt device. To be "substantially equivalent," the proposed device must have the same intended use as the predicate device, and either have the same technological characteristics as the predicate device or have different technological characteristics and not raise different questions of safety or effectiveness than the predicate device. Clinical data is sometimes required to support substantial equivalence. In the process of obtaining PMA approval, the FDA must determine that a proposed device is safe and effective for its intended use based, in part, on extensive data, including, but not limited to, technical, pre-clinical, clinical trial, manufacturing and labeling data. The PMA process is typically required for devices that are deemed to pose the greatest risk, such as life-sustaining, life-supporting or implantable devices.

Modifications to products that are approved through a PMA application generally require FDA approval. Similarly, certain modifications made to products cleared through a 510(k) may require a new 510(k) clearance. Both the PMA and the 510(k)-clearance process can be expensive, lengthy and uncertain. The FDA's 510(k) clearance process usually takes from three to twelve months, but can last longer. The process of obtaining a PMA is much costlier and uncertain than the 510(k)-clearance process and generally takes from one to three years, or even longer, from the time the application is submitted to the FDA. In addition, a PMA generally requires the performance of one or more clinical trials. Despite the time, effort and cost, a device may not be approved or cleared by the FDA. Any delay or failure to obtain necessary regulatory clearances or approvals could harm VVT's business. Furthermore, even if VVT is granted regulatory clearances or approvals, they may include significant limitations on the indicated uses for the device, which may limit the market for the device.

Risks related to regulation.

VVT will be subject to a variety of laws and regulations domestically and abroad that involve intellectual property, advertising, marketing, distribution, data and information security, electronic communications, competition, consumer protection, unfair commercial practices, product liability, taxation, economic or other trade prohibitions or

sanctions, securities law compliance, online payment and payment processing services. VVT may introduce new products, expand its activities in certain jurisdictions, or take other actions that may subject it to additional laws, regulations or other government scrutiny.

These laws, regulations and legislation, along with other applicable laws and regulations, which in some cases can be enforced by private parties or government entities, are constantly evolving and can be subject to significant change. As a result, the application, interpretation, and enforcement of these laws and regulations, including pre-existing laws regulating communications and commerce in the context of VVT's business, particularly in the new and rapidly evolving industries in which VVT operates, may be interpreted and applied inconsistently across jurisdictions and inconsistently with its future policies and practices.

These laws and regulations, as well as any changes to the same and any related inquiries, investigations or any other government actions, may be costly to comply with and may delay or impede new product development, result in negative publicity, increase VVT's operating costs, require significant management time and attention, and subject it to remedies that may harm its business including fines or demands or orders that modify, or cease certain or all existing business practices, or implement costly and burdensome compliance measures. Any such consequences could adversely affect VVT's business, results of operations or financial condition.

Product liability and recalls.

VVT risks exposure to product liability claims, regulatory actions and litigation if its products are alleged to have caused significant loss, injury, illness or death. A product liability claims or regulatory action against VVT could result in increased costs, could adversely affect VVT's reputation with its customers and could have a material adverse effect on VVT's results of operations and financial condition.

Further, if any of VVT's products are recalled due to an alleged product defect or for any other reason, VVT could be required to incur the unexpected expense of the recall and any legal proceedings that might arise in connection with the recall. VVT may lose a significant amount of sales and may not be able to replace those sales at an acceptable margin or at all. In addition, a product recall may require significant management attention. Although VVT has detailed procedures in place for testing its products, there can be no assurance that any quality, potency or contamination problems will be detected in time to avoid unforeseen product recalls, regulatory action or lawsuits. A product recall could lead to decreased demand for VVT's products and could have a material adverse effect on the results of operations and financial condition of VVT. Product recalls may lead to increased scrutiny of VVT's operations by governmental regulatory authorities requiring further management attention and potential legal fees and other expenses.

Any further future international expansion will subject VVT to additional costs and risks that may have a material adverse effect on VVT's business, financial condition and results of operations.

The majority of VVT's sales are presently primarily to a customer in the United States. To the extent VVT enters into international markets in the future, there are significant costs and risks inherent in conducting business in international markets. If VVT expands, or attempts to expand, into foreign markets, VVT will be subject to new business risks, in addition to regulatory risks. In addition, expansion into foreign markets imposes additional burdens on VVT's executive and administrative personnel, finance and legal teams, research and marketing teams and general managerial resources.

VVT has limited experience with regulatory environments and market practices internationally, and it may not be able to penetrate or successfully operate in new markets. VVT may also encounter difficulty expanding into international markets because of limited brand recognition in certain parts of the world. If VVT is unable to expand internationally and manage the complexity of international operations successfully, it could have a material adverse effect on its business, financial condition and results of operations. If VVT's efforts to introduce its products into

foreign markets are not successful, VVT may have expended significant resources without realizing the expected benefit. Ultimately, the investment required for expansion into foreign markets could exceed the results of operations generated from this expansion.

Foreign currency risk

VVT's revenues are expected to be primarily denominated in United States dollars and VVT's expenses are expected to be primarily denominated in New Israeli Shekel, and therefore may be exposed to significant currency exchange fluctuations. The NIS and the Canadian dollar relative to the United States dollar or other foreign currencies is subject to fluctuations. VVT will be subject to risks and losses resulting from fluctuations in the relative value of the currencies of different countries where its customers, suppliers and operations are located. While VVT will attempt to be prudent in managing such foreign exchange risks, there can be no assurance that VVT will not suffer losses from such risks in the future. Any such losses could have a material adverse impact on results of operations and cash available to support operations.

VVT has limited sales history and is subject to the risks associated with early-stage businesses.

VVT is a company with a limited sales history and is subject to all the business risks and uncertainties associated with any early-stage or growth business enterprise, including under-capitalization, cash flow concerns, product-market fit, scalability, limitations with respect to personnel, financial, and other resources, and the risk that it will not be profitable or achieve its growth objectives. The near-term focus of VVT has been developing its customer base and supporting and enhancing its devices. VVT's future operations are dependent upon many factors, including its ability to generate sufficient profit and cash flows from operations and obtain additional funding. There is no assurance that VVT will be successful in achieving a return on shareholders' investment and the likelihood of success must be considered in light of the early stage of operations.

Information technology systems, cyber-attacks and security breaches.

VVT's operations depend, in part, on how well it and its suppliers protect networks, equipment, information technology ("**IT**") systems and software against damage from a number of threats, including, but not limited to, cable cuts, damage to physical plants, natural disasters, intentional damage and destruction, fire, power loss, hacking, computer viruses, vandalism and theft. VVT is susceptible to operational, financial and information security risks resulting from cyber-attacks and/or malfunctioning technology. VVT's operations also depend on the timely maintenance, upgrade and replacement of networks, equipment, IT systems and software, as well as pre-emptive expenses to mitigate the risks of failures. Any of these and other events could result in information system failures, delays, increase in capital expenses, financial losses, the inability to process transactions, the unauthorized release of customer information and reputational risk. If there was a breach in security or if there was a failure of information systems or a component of information systems, it could, depending on the nature of any such breach or failure, adversely impact VVT's reputation, business continuity and results of operations.

VVT has not experienced any material losses to date relating to cyber-attacks or other information security breaches, but there can be no assurance that VVT will not incur such losses in the future. VVT's risk and exposure to these matters cannot be fully mitigated because of, among other things, the evolving nature of these threats. As a result, cyber security and the continued development and enhancement of controls, processes and practices designed to protect systems, computers, software, data and networks from attack, damage or unauthorized access is a priority. As cyber threats continue to evolve, VVT may be required to expend additional resources to continue to modify or enhance protective measures or to investigate and remediate any security vulnerabilities.

There are risks relating to maintaining and enhancing a brand.

VVT has established its current brand and market position over time through its online and offline presence and marketing, its experience and relationship with its customers and industry leaders, and other protection of its brand as set out in this MD&A. However, as an early-stage growth company, VVT's reach and brand exposure are still limited, especially when compared to large industry competitors. VVT believes building and maintaining a more global brand is critical for its relationships with current customers, its ability to attract and engage new customers and overall, the long-term success of its business. There is no guarantee that VVT will be able to achieve and maintain a more global brand. The successful promotion of VVT's brand attributes will depend on various factors, including access to capital, current and proposed marketing strategies, success of its products in multiple markets, and VVT's ability to differentiate its products from its competitors. Negative commentaries and or word of mouth may have a damaging impact on the ability of VVT to reach its potential and may not necessarily be based on accurate data or real experience.

The principal operations, management, and corporate headquarters of VVT are located in Israel and, therefore, the business and operations may be adversely affected by political, economic and military conditions in Israel.

The corporate headquarters of VVT, including its principal executive, business development and financial departments as well as its key employees are located in Israel. Accordingly, political, economic, and military conditions in the Middle East in general, and in Israel in particular, may directly affect VVT's business, product development and results of operations, and VVT may be adversely affected by a significant increase in the rate of inflation or a significant downturn in economic or financial conditions in Israel.

Since the establishment of the State of Israel in 1948, a number of armed conflicts have taken place between Israel and its neighboring countries, and between Israel and the Hamas (an Islamist militia and political group in the Gaza Strip) and Hezbollah (an Islamist militia and political group in Lebanon).

In particular, in October 2023, Hamas terrorists infiltrated Israel's southern border from the Gaza Strip and conducted a series of attacks on civilian and military targets. Hamas also launched extensive rocket attacks on the Israeli population and industrial centers located along Israel's border with the Gaza Strip and in other areas within the State of Israel. These attacks resulted in thousands of deaths and injuries, and Hamas additionally kidnapped many Israeli civilians and soldiers. Following the attack, Israel's security cabinet declared war against Hamas and commenced a military campaign against Hamas and these terrorist organizations in parallel continued rocket and terror attacks. As a result of the events of October 7, 2023, whereby Hamas terrorists invaded southern Israel and launched thousands of rockets in a widespread terrorist attack on Israel, the Israeli government declared that the country was at a State of War and the Israeli military began to call-up reservists for active duty. As of the date of this MD&A, all of our personnel at our service providers or counterparties located in Israel have returned to full capacity, and we are no longer impacted by any absences of personnel at our service providers or counterparties located in Israel. Military service call ups that result in absences of personnel from us for an extended period of time may materially and adversely affect our business, prospects, financial condition and results of operations.

In addition, the intensity and duration of Israel's current war against Hamas is difficult to predict at this stage, as are such war's economic implications on VVT's business and operations and on Israel's economy in general. If the war extends for a long period of time or expands to other fronts, such as Lebanon, Syria, Iran and the West Bank, our operations may be adversely affected. These situations may potentially escalate in the future to more violent events which may affect Israel and VVT's business. Any armed conflicts, terrorist activities or political instability in the region could adversely affect business conditions, could harm results of operations and could make it more difficult for VVT to raise capital. The political and security situation in Israel may result in parties with whom VVT has agreements involving performance in Israel claiming that they are not obligated to perform their commitments under those agreements pursuant to force majeure provisions in such agreements. Further, in the past, the State of Israel and Israeli companies have been subjected to economic boycotts. Several countries still restrict business with the State of

Israel and with Israeli companies. These restrictive laws and policies may have an adverse impact on VVT's operating results, financial condition or the expansion of VVT's business.

Political conditions within Israel may affect VVT's operations. Israel has held five general elections between 2019 and 2022, and prior to October 2023, the Israeli government pursued extensive changes to Israel's judicial system, which sparked extensive political debate and unrest. To date, these initiatives have been substantially put on hold. Actual or perceived political instability in Israel or any negative changes in the political environment, may individually or in the aggregate adversely affect the Israeli economy and, in turn, VVT's business, financial condition, results of operations and growth prospects.

Many Israeli citizens are obligated to perform several days or more of military reserve duty each year until they reach the age of 40 (or older, for reservists who are military officers or who have certain occupations) and, in the event of a military conflict, may be called to active duty. In response to increases in terrorist activity, there have been periods of significant call-ups of military reservists. It is possible that there will be further military reserve duty call-ups in the future. VVT's operations could be disrupted by such call-ups, particularly if such call-ups include the call-up of members of VVT's management. Such disruptions could materially adversely affect VVT's business, financial condition, and results of operations.

VVT may not be able to raise sufficient funds on favorable terms in order to meet its needs in the future.

The continued development of VVT will likely require additional financing. There is no certainty regarding the ability of VVT to raise sufficient funds to meet its needs and targets into the future. VVT may need to raise additional capital from equity or debt sources, or both, due to unforeseen circumstances. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for VVT to obtain additional capital and to pursue business opportunities, including potential acquisitions. There can be no assurance that VVT will be able to raise sufficient capital on favorable terms or at all. If VVT is unable to obtain adequate financing or financing on terms satisfactory to VVT, its ability to continue to grow or support its business and to respond to business challenges could be significantly limited.

VVT may become party to litigation or regulatory investigations which could adversely affect its business.

VVT may become party to litigation, either as a plaintiff or defendant, from time to time which could adversely affect its business. Should any litigation in which VVT becomes involved be determined against VVT, such a decision could impact VVT's ability to continue operating. Even if VVT is successful in litigation, litigation can redirect significant company resources.

In addition, VVT could be the subject of inquiries, investigations, and proceedings by customers, other third parties and regulatory and other government agencies governing its operating jurisdictions, which could lead to increased expenses or reputational damage. Responding to inquiries, investigations, and proceedings, regardless of the ultimate outcome of the matter, is time-consuming and expensive and can divert the attention of senior management and key personnel. The outcome of such proceedings may be difficult to predict or estimate until late in the proceedings, which may last a number of years.