Risk Factors Comparison 2024-03-06 to 2023-03-02 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text Moved Text Section

Risks Related to Our Industry and Business ~~The COVID- 19 pandemic could adversely affect our business, financial condition and results of operations. On March 11, 2020, the World Health Organization designated COVID- 19 as a global pandemic. Various policies and initiatives were implemented to reduce the transmission of COVID- 19, including travel bans and restrictions, postponement of non- essential medical surgeries, limiting access to medical facilities, and adoption of social distancing and remote working policies. Employee and patient safety is our first priority, and as a result, we put preparedness plans in place for our employees, especially our clinical personnel, and modified our clinical protocols to limit unnecessary patient encounters. At this time, COVID- 19 related measures do not appear to be negatively impacting our patient attrition rate, but we cannot assure you that future governmental policies and initiatives will not significantly disrupt our operations or adversely affect our ability to provide services to our patients in the future. During the COVID- 19 public health emergency (" PHE ") our ability to assess potential patients in hospitals has varied by hospital and city, but overall our business of setting up new patients in the home has continued. On January 30, 2023, the Biden Administration announced that it plans to end the COVID- 19 PHE on May 11, 2023. At the end of the COVID- 19 PHE, many waivers and flexibilities applicable during the COVID- 19 pandemic will become unavailable. While COVID- 19 related measures have not had a material impact on our consolidated operating results for the year ended December 31, 2022, we cannot predict at this time the impact that the end of the COVID- 19 PHE will have on our business and financial condition. It is also possible that the U. S. government will ultimately decide not to end the COVID- 19 PHE on May 11, 2023, creating additional uncertainties about our future business and financial condition. Accordingly, we cannot assure you that demand for our products and services will continue or that we will be able to maintain operations necessary to satisfy such demand, including sufficient personnel, supply chains and distributions channels. The COVID- 19 pandemic has led to significant disruptions and volatility in capital and financial markets. Broad economic factors resulting from the current COVID- 19 pandemic, including high unemployment and underemployment levels and reduced consumer spending and confidence, could also affect our service mix, revenue mix, payor mix and patient base, as well as our ability to collect outstanding receivables. Business closures and layoffs in the geographic areas in which we operate may lead to increases in the uninsured and underinsured populations and adversely affect demand for our services, as well as the ability of patients and other payors to pay for services rendered. Any increase in the amount or deterioration in the collectability of patient accounts receivable will adversely affect our financial results and require an increased level of working capital. In addition, we may experience supply chain disruptions, including delays and price increases in equipment and supplies. Staffing, equipment and supplies shortages may also impact our ability to assess potential patients in hospitals and set up and treat patients in the home. Page13 VIEMED HEALTHCARE, INC. (Tabular amounts expressed in thousands of U. S. Dollars, except per share amounts) December 31, 2022 and 2021 We believe we presently have sufficient liquidity to satisfy our cash needs, however, we continue to evaluate and take action, as necessary, to preserve adequate liquidity and ensure that our business can continue to operate during these uncertain times. In addition, we have received, and may continue to receive, payments, grants or other relief under the Coronavirus Aid, Relief, and Economic Security (" CARES") Act and other stimulus efforts. While the impact of COVID- 19 on our consolidated results of operations for the year ended December 31, 2022 has resulted in supplemental revenues related to COVID- 19 response sales and services during the period, revenues related to COVID- 19 response sales and services decreased in 2022 when compared to 2021 and the overall impact that COVID- 19 will have on our consolidated results of operations in future periods remains uncertain, and difficult to predict and will depend on, among other factors, the duration and severity of the pandemic, as well as any negative economic conditions arising from the pandemic, our ability to assess potential patients in hospitals and set up and treat patients in the home and the impacts of government actions and administrative regulations on the healthcare industry and broader economy. We will continue to evaluate the nature and extent of these potential impacts to our business, consolidated results of operations, liquidity and capital resources. If COVID- 19 intensifies or if the response to contain the COVID- 19 pandemic is unsuccessful, we could experience a material adverse effect on our business, financial condition, and results of operations. Further, COVID- 19 may also affect our operating and financial results in a manner that is not presently known to us or that we currently do not consider to present significant risks to our operations. In addition, the potential effects of the COVID- 19 pandemic, and the volatile economic conditions stemming from the pandemic, could also heighten the risks disclosed in many of the other risk factors described in this Annual Report on Form 10- K, which could materially and adversely affect our business, financial condition and results of operations. Because the COVID- 19 pandemic is unprecedented and continuously evolving, the other potential impacts to the risk factors described below are uncertain. We have a limited history of operations and we might be unsuccessful in increasing our sales and cannot assure you that we will ever generate substantial revenue or be profitable. We have a limited history of operations. There can be no assurance that our business will be successful and generate, or maintain, any profit. Our novel business model may not be accepted by the market, which would harm our financial condition and results of operations. Home monitoring of patients is a relatively new business, making it difficult to predict market acceptance, development, expansion and direction. Adoption of home monitoring services and technology by patients and physicians can require education, which can result in a lengthy sales cycle. The market may take time to develop. Physicians and / or patients may be slow to adopt new methods. The development of our home monitoring business is dependent on a number of factors. These factors include: our ability to differentiate our services from those of our competitors; the extent and timing of the acceptance of our services as a replacement for, or supplement to, traditional methods of servicing patients; the effectiveness~~

~~of our sales and marketing and engagement efforts with customers and their health plan participants; and our ability to provide quality customer service, as perceived by patients and physicians. If our home monitoring business is not fully developed as a result of the failure of any of these factors or if our novel business model is not accepted by the market, our financial condition and results of operations would be significantly impacted.~~ We compete against companies that have longer operating histories and greater resources, which may result in reduced profit margins and loss of market share. **The** ~~While we are currently one of the top three providers of NIV and related services in the United States, the~~ respiratory care industry is highly competitive and dynamic and may become more competitive as new players enter the market. Certain competitors will be subsidiaries or divisions of larger, much better capitalized companies. Certain competitors will have vertically integrated manufacturing and services sectors of the market. We may have less capital and may encounter greater operational challenges in serving the market. Better capitalized competitors may also be able to borrow money or raise debt to purchase equipment more easily than us. Potential competitors could have significantly greater financial, research and development, manufacturing, and sales and marketing resources than we have and could utilize their greater resources to acquire or develop new technologies or products that could effectively compete with our existing products. Additionally, demand for our home monitoring services and other services could be diminished by equivalent or superior products and services developed by competitors. Competing in these markets could result in price- cutting, reduced profit margins and loss of market share, any of which would harm our business, financial condition and results of operations. Reductions in reimbursement rates may have a materially adverse impact on the profitability of our operations. Reimbursement for our services primarily comes from governmental healthcare programs, such as Medicare and Medicaid, and private health insurance companies, and our ability to sell our products and services depends in large part on the extent to which coverage and adequate reimbursement for our products and services are and will continue to be available. The reimbursement ~~Page14~~ rates offered are outside of our control. **The CARES** ~~On December 29, 2022, President Joe Biden signed the Consolidated Appropriations~~ Act ~~, 2023 (~~ **previously introduced a blended rate for HME furnished in non- rural or contiguous non- competitive bidding areas that is based on 75 % of** the ~~" CAA ") into law~~ **adjusted fee schedule amount and 25 % of the unadjusted fee schedule amount** . The ~~CAA extends current~~ 75 / 25 blended Medicare reimbursement **rate expired on December 31, 2023, reverting to** rates ~~for durable medical equipment~~ in **place prior** ~~non- competitive bidding, non- rural areas through the later of the end of the COVID- 19 PHE or the end of 2023. As previously discussed, the U. S. government has announced that it plans~~ to ~~end~~ the **implementation of** ~~COVID- 19 PHE on May 11, 2023. If~~ the ~~COVID- 19 PHE ends in 2023, the current~~ 75 / 25 ~~blended~~ -- **blend** ~~Medicare~~ **, adjusted for inflation. This change may lead to reduced** reimbursement ~~rates~~ for ~~durable medical equipment in non-~~ competitive **bid products and services in specific markets where we operate** ~~bidding, non- rural areas will last until December 31, 2023~~ . Reimbursement rates for our services, like much of the United States healthcare market, are subject to reductions. We cannot predict the extent and timing of any reduction in reimbursement rates and we cannot assure you that coverage and reimbursement will be available for our products or services, that reimbursement amounts will be adequate, or that reimbursement amounts, even if initially adequate, will not be subsequently reduced. Reductions in reimbursement rates, if they occur, may have a material adverse impact on the profitability of our operations. A reduction in reimbursement without a concurrent decline in the cost of operations, may result in reduced profitability. Our costs of operations could increase, but we may be unable to pass on the cost increases to customers because reimbursement rates are set without regard to the cost of service, also resulting in reduced profitability. Our reliance on only a few sources of reimbursement for our services could result in delays in reimbursement, which could adversely affect cash flow and revenues. We earn revenues by seeking reimbursement for our products and services from governmental healthcare programs and private health insurance companies, primarily from the federal Medicare program. If the Medicare program were to slow payments of our receivables for any reason, we would be adversely impacted. In addition, both governmental healthcare programs and private health insurance companies may seek ways to avoid or delay reimbursement, which could adversely affect our cash flow and revenues. **Page14 VIEMED HEALTHCARE, INC. (Tabular amounts expressed in thousands of U. S. Dollars, except per share amounts) December 31, 2023 and 2022** Our dependence on key suppliers puts us at risk of interruptions in the availability of the equipment we need for our services, which could reduce our revenue and adversely affect our results of operations. We require the timely delivery of a sufficient supply of equipment we use to perform our home treatment of patients. Our dependence on third- party suppliers involves several additional risks, including limited control over pricing, availability, quality and delivery schedules. In addition, there are a limited number of manufacturers of the equipment used for home treatment of patients with ventilation respiratory therapy **, which has been further exacerbated by Philips Respironics' January 2024 decision to discontinue of many of its respiratory products** . Dependence on only a few manufacturers presents risks that suppliers may not be able to provide or adequately provide sufficient equipment to satisfy demand. Demand may also outstrip supply, leading to equipment shortages that could adversely affect our operations. Inadequate supply could also impair our ability to attract new business and could create upward pricing pressure on equipment and supplies, adversely affecting our margins. Conversely, incorrect demand forecasting could lead to excess inventory, which we may not be able to sell. If we fail to achieve certain volume of sales, prices of ventilators may increase, leading to reduced revenue and profitability. The industry is subject to a high level of regulatory scrutiny, and government or manufacturer recalls could adversely affect our ability to provide products and services and achieve revenue targets. Additionally, the market for financing ventilators and other supplies we need could be more difficult in the future. On June 14, 2021, Royal Philips (" Philips "), one of our largest suppliers of BiPAP and CPAP and mechanical ventilator devices, initiated a voluntary recall notification with the U. S. Food and Drug Administration (" FDA ") for certain Philips BiPAP and CPAP and mechanical ventilator devices that we distribute and sell. Philips initiated this recall to address potential health risks related to the polyester- based polyurethane (" PE- PUR ") sound abatement foam component in these devices. The PE- PUR sound abatement foam, which is used to reduce sound and vibration in these affected devices, may break down and potentially enter the device' s air pathway and may off- gas certain chemicals. If this occurs, black debris from the foam or certain chemicals released into the device' s air

pathway may be inhaled or swallowed by the person using the device. In July 2021, the FDA identified the Philips recall as a Class I recall, the most serious type of recall. Patients using these devices have been instructed to contact their health care provider and doctor about a suitable treatment for their condition. As of ~~January~~ **December** 2023, Philips has announced ~~completion~~ **remediation** of ~~90~~ **99** % of **actionable sleep therapy** ~~the production of replacement devices~~ **device registrations** ~~and repair kits~~. We cannot predict the potential legal, regulatory, and financial risks that may arise out of the recall **. For example, we may be asked to notify patients of the recall, retrieve recalled devices from patients, and / or provide replacement devices, resulting in additional unreimbursed costs** . Some patients may discontinue use of their device, which could affect our ability to continue billing for service. Viemed has been named in and may be subject to future litigation related to the recall, including individual and putative class action claims related to personal injury for devices affected by the recall as well as claims regarding repair and replacement of devices affected by the recall. Viemed cannot predict what additional actions will be required of the Company by the FDA or other state or federal agencies related to the recall. ~~Page15~~ We conduct all of our operations through our United States subsidiaries and our ability to extract value from these subsidiaries may be limited. We conduct all of our operations through our United States subsidiaries. Therefore, to the extent of these holdings, we (directly and indirectly) will be dependent on the cash flows of these subsidiaries to meet our obligations. The ability of such subsidiaries to make payments to their parent companies may be constrained by a variety of factors, including, the level of taxation, particularly corporate profits and withholding taxes, in the jurisdiction in which each subsidiary operates, and the introduction of exchange controls or repatriation restrictions or the availability of hard currency to be repatriated. Additionally, our subsidiaries are restricted from making distributions to us by our existing commercial credit facilities, subject to certain exceptions. The failure to attract or to retain management or key operating personnel, including directors, could adversely affect operations. Our success to date has depended, and will continue to depend, largely on the skills and efforts of our management team, including our ability to interpret market data correctly and to interpret and respond to economic, market and other conditions in order to locate and adopt appropriate opportunities. We are also dependent on the services of key executives, including our directors and a small number of highly skilled and experienced executives and personnel. Due to our relatively small size, the loss of a key individual on our management team or our inability to attract and retain additional highly skilled employees and suitably qualified staff could have a material adverse impact on our business and future operations. No assurance can be given that individuals with the required skills will continue employment with us or that replacement personnel with comparable skills can be found. **Page15** ~~We may be unable to achieve our strategy to grow our business or properly manage our growth, which could adversely impact our revenues and profits. We may have difficulty identifying or acquiring suitable acquisition targets and maintaining our organic growth, which is a significant aspect of our business model. In the event that we are successful in consummating acquisitions in the future, such acquisitions may negatively impact our business, financial condition, results of operations, cash flows and prospects due to a variety of factors, including the acquired target not achieving anticipated revenue, earnings or cash flows, our assumption of liabilities or risks beyond our estimates or the diversion of the attention of management from our existing business. In addition, as we continue to grow, the complexity of our operations increases, placing greater demands on our management team. Our ability to manage our growth effectively depends on our ability to implement and improve our financial and management information systems on a timely basis and to effect other changes in our business including the ability to monitor and improve the quality of our products and services and properly manage regulatory compliance systems. Unexpected difficulties during expansion or our inability to respond effectively to growth or plan for future expansion could have an adverse effect on our ability to continue to grow and achieve our expansion strategy, which could adversely impact our earnings per share and our revenue and profits.~~ We have significant ongoing capital expenditure requirements. If we are unable to obtain necessary capital on favorable terms or at all, we may not be able to execute on our business plans and our business, financial condition, results of operations, cash flows and prospects may be adversely affected. Our development and the business (including acquisitions) may require additional financing, which may involve high transaction costs, dilution to shareholders, high interest rates or unfavorable terms and conditions. Failure to obtain sufficient financing may result in the delay or indefinite postponement of our business plans and our business, financial condition, results of operations and prospects may be adversely affected. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favorable to us. We are subject to the risks of litigation and governmental proceedings, which could adversely affect our business. We are, and in the future may be, subject to legal and governmental proceedings and claims. The parties in such legal actions may seek amounts from us that may not be covered in whole or in part by insurance. Defending ourselves against such legal actions could result in significant costs and could require a substantial amount of time and effort by our management team. We cannot predict the outcome of litigation or governmental proceedings to which we are a party or whether we will be subject to future legal actions. As a result, the potential costs associated with legal actions against us could adversely affect our business, financial condition, results of operations, cash flows or prospects. ~~Page16~~ Insurance and claims expenses could significantly reduce our profitability. Our business is subject to a number of risks and hazards generally. Such occurrences could result in damage to property, inventory, facilities, personal injury or death, damage to our properties, or the properties of others, monetary losses and possible legal liability. We may be subject to product liability and medical malpractice claims, which may adversely affect our operations. Our industry is highly regulated, and may be subject to regulatory scrutiny for violations of regulations and laws. We could be adversely affected by the time and cost involved with regulatory investigations even if we have operated in compliance with all laws. Investigations could also adversely affect the timely payment of receivables. Although we maintain insurance to protect against certain risks in such amounts as we consider to be reasonable, our insurance will not cover all the potential risks associated with our operations. We may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. We might also become subject to liability which may not be insured against or which we may elect not to insure against because of

premium costs or other reasons. Losses from these events may cause us to incur significant costs that could have a material adverse effect upon our financial performance and results of operations. We rely significantly on information technology and any failure, inadequacy, interruption or security lapse of that technology, including any cybersecurity incidents, could harm our ability to operate our business effectively. In the ordinary course of our business, we receive certain personal information, in both physical and electronic formats, about our patients, our employees, and our vendors. We maintain substantial security measures and data backup systems to protect, store, and prevent unauthorized access to such information. Nevertheless, it is possible that computer hackers and others (through cyberattacks, which are rapidly evolving and becoming increasingly sophisticated, or by other means) might defeat our security measures in the future and obtain the personal information of customers, their loved ones, our employees, and our vendors that we hold. If we fail to protect this information, we could experience significant costs and expenses as well as damage to our reputation. Additionally, legislation relating to cybersecurity threats could impose additional requirements on our operations. Our ability to manage and maintain our internal reports effectively and integration of new business acquisitions depends significantly on our enterprise resource planning system and other information systems. Some of our information technology systems may experience interruptions, delays or cessations of service or produce errors in connection with ongoing systems implementation work. The failure of our systems to operate effectively or to integrate with other systems, or a breach in security or other unauthorized access of these systems, may also result in reduced efficiency of our operations and could require significant capital investments to remediate any such failure, problem or breach and to comply with applicable regulations, all of which could adversely affect our business, financial condition and results of operations. Disruptions in the credit and financial markets may have an adverse impact on our ability to obtain capital and financing for our operations. Market events and conditions, including disruptions in the international credit markets and other financial systems and the deterioration of global economic conditions, could impede our access to capital or increase the cost of capital. These disruptions could, among other things, make it more difficult for us to obtain, or increase our cost of obtaining, capital and financing for our operations. Access to additional capital may not be available to us on terms acceptable to us, or at all. **Page16 Our strategic growth plan, which involves the acquisition of other businesses, may not succeed. Our strategic growth plan calls for significant growth in our business over the next several years through an increase in our density in select markets where we are established as well as the expansion of our geographic footprint into new markets. This growth would place (and has placed) significant demands on our management team, systems, internal controls and financial and professional resources. As a result, we could be required to incur (and have incurred) expenses for hiring additional qualified personnel, retaining professionals to assist in developing the appropriate control systems and expanding our information technology infrastructure. If we are unable to effectively manage growth, our financial results could be adversely impacted. Our strategic growth plan contemplates continued growth from future acquisitions of home medical equipment and service providers. We may face increased competition for attractive acquisition candidates, which may limit the number of acquisition opportunities available to us or lead to the payment of higher prices for acquisitions. Without successful acquisitions, our future growth rate could decline. In addition, we cannot guarantee that any future acquisitions, if consummated, will result in further growth. The integration of acquisitions requires significant attention from management, may impose substantial demands on our operations or other projects and may impose challenges on us including, but not limited to, consistencies in business standards, procedures, policies and business cultures. We cannot assure you that any future acquisitions, if consummated, will result in further growth. Specific integration risks relating to our acquisition of other businesses may include: difficulties related to combining previously separate businesses into a single unit, including patient transitions, product and service offerings, distribution and operational capabilities and business cultures; availability of financing to the extent needed to fund acquisitions; customer loss and other general business disruption; managing the integration process while completing other independent acquisitions or dispositions; diversion of management' s attention from day- to- day operations; assumption of liabilities of an acquired business, including unforeseen or contingent liabilities or liabilities in excess of the amounts estimated; failure to realize anticipated benefits and synergies, such as cost savings and revenue enhancements; potentially substantial costs and expenses associated with acquisitions and dispositions; and failure to retain and motivate key employees difficulties in establishing and applying our internal control over financial reporting and disclosure controls and procedures to an acquired business. We may be negatively impacted by inflation. Current and anticipated inflationary effects may have an adverse effect on our business and be influenced by various factors, including general cost increases, disruptions in our supply chain, and governmental stimulus or fiscal policies. The services and products we provide to patients are subject to fluctuations based on the costs of materials, labor, and transportation, including fuel expenses. The rising costs of our services and products can be attributed, in part, to increased shipping expenses and general inflationary trends. Moreover, there is uncertainty regarding our ability to pass on these increased costs to customers to mitigate inflationary pressures. Sustained increases in inflation could impact the overall demand for our products and services, as well as our labor, equipment, and product costs, potentially affecting our profit margins. This, in turn, could have adverse consequences for our business, financial position, results of operations, and cash flows. Despite recent inflationary trends, we cannot accurately predict whether these patterns will persist. Future volatility in general price inflation and its impact on material availability, shipping, warehousing, and operational overhead could further impact financial results. We attempt to address these pressures through our inflation- linked reimbursement contracts, negotiation, leveraging our purchasing power and embracing technology, such as our proprietary clinical management platform.** Risks Relating to Government Regulation Healthcare reform legislation may affect our business. Healthcare reform laws significantly affect the U. S. healthcare services industry. In recent years, many legislative proposals have been introduced or proposed in Congress and in some state legislatures that would affect major changes in the healthcare system, either nationally or at the state level. At the federal level, Congress has continued to

propose or consider healthcare budgets that substantially reduce payments under the Medicare and Medicaid programs. See " Business – Government Regulation " in Item 1 for more information. The ultimate content, timing or effect of any healthcare reform legislation and the impact of potential legislation on us is uncertain and difficult, if not impossible, to predict. That impact may be material to our business, financial condition or results of operations. ~~Page17~~ We are subject to extensive federal and state regulation, and if we fail to comply with applicable regulations, we could suffer severe criminal or civil sanctions or be required to make significant changes to our operations that could adversely affect our business, financial condition and operating results. The federal government and all states in which we currently operate regulate various aspects of our business. Our operations also are subject to state laws governing, among other things, distribution of medical equipment and certain types of home health activities, and we are required to obtain and maintain licenses in each state to act as a DME supplier. Additionally, accreditation is required by many payors. If we fail to obtain or maintain any required accreditation, it could have an adverse impact on our business. **Page17** As a healthcare provider participating in governmental healthcare programs, we are subject to laws directed at preventing fraud, waste, and abuse, which subject our marketing, billing, documentation and other practices to government scrutiny. These include specific requirements imposed by the DME MAC Supplier Manuals. To ensure compliance with Medicare and Medicaid requirements and other federal and state regulations, government agencies or their contractors often conduct routine audits and request customer records and other documents to support our claims submitted for payment of services rendered. Government agencies or their contractors also periodically open investigations and obtain information from healthcare providers. Violations of federal and state regulations can result in severe criminal, civil and administrative penalties, damages, and sanctions, including debarment, suspension or exclusion from Medicare, Medicaid and other government reimbursement programs, any of which would have a material adverse effect on our business. We expect the federal and state governments to continue their efforts to contain growth in Medicaid expenditures, which could adversely affect our revenue and profitability. Medicaid spending has increased rapidly in recent years, becoming a significant component of state budgets. This, combined with slower state revenue growth, has led both the federal government and many states to institute measures aimed at controlling the growth of Medicaid spending, and in some instances reducing aggregate Medicaid spending. We expect these state and federal efforts to continue for the foreseeable future. Furthermore, not all of the states in which we operate have elected to expand Medicaid coverage as part of federal healthcare reform legislation. There can be no assurance that any state Medicaid program, on the current terms or otherwise, will continue for any particular period of time beyond the foreseeable future. If Medicaid reimbursement rates are reduced or fail to increase as quickly as our costs, or if there are changes in the rules governing the Medicaid program that are disadvantageous to our businesses, our business and results of operations could be materially and adversely affected. Revenue we receive from third- party payors as well as Medicare and Medicaid is subject to potential retroactive reduction. Payments we receive from governmental healthcare programs, including Medicare and Medicaid, and private third- party payors can be retroactively adjusted after examination during the claims settlement process or as a result of post- payment audits and subsequent recoupment. Governmental healthcare programs and third- party payors may disallow, in whole or in part, our requests for reimbursement, or recoup amounts previously reimbursed, based on determinations by the payors or their third- party audit contractors that certain costs are not reimbursable because either adequate or additional documentation was not provided or because certain services were not covered or were deemed not to be medically necessary. Significant adjustments, recoupments or repayments of our Medicare or Medicaid revenue, and the costs associated with complying with investigative audits by regulatory and governmental authorities and private third- party payors, could materially and adversely affect our financial condition, results of operations and cash flows. ~~For example, in June of 2021, we received initial request letters from DME Medicare Administrative Contractors referencing a previously disclosed U. S. Department of Health and Human Services Office of Inspector General (" OIG ") report and recommendation regarding an audit of claims relating to 100 of the Company' s non- invasive ventilation at home patients and requesting repayment of purported overpayments within the 4- year reopening period prescribed by statue. Through the statutory appeals process, CMS' designated Qualified Independent Contractor (" QIC ") responsible for evaluating the Company' s Reconsideration appeals determined that approximately 77 % of the claims it reviewed were medically necessary and properly payable under Medicare rules and regulations, overturning OIG' s and CMS' s initial recommendations and determinations. In December of 2022, an Administrative Law Judge overturned all remaining appealed claims in Viemed' s favor. See Note 8 — Commitments and Contingencies to our consolidated financial statements for more information.~~ Additionally, from time to time we become aware, based on information provided by third parties and / or the results of internal audits, of payments from such payor sources that were either wholly or partially in excess of the amount that we should have been paid for the service provided. Overpayments may result from a variety of factors, including insufficient documentation supporting the services rendered or medical necessity or other failures to document satisfaction of the applicable conditions of payment. We are required by law in most instances to refund the full amount of the overpayment after becoming aware of it, and failure to do so within requisite time limits imposed by law could lead to significant fines and penalties being imposed on us. ~~Page18~~ Furthermore, our initial billing of and payments for services that are unsupported by the requisite documentation and satisfaction of any other conditions of payment, regardless of our awareness of the failure at the time of the billing or payment, could expose us to significant fines and penalties. We could also be subject to exclusion from participation in the Medicare or Medicaid programs in some circumstances as well, in addition to any monetary or other fines, penalties or sanctions that we may incur under applicable federal and / or state law. Our repayment of any such amounts, as well as any fines, penalties or other sanctions that we may incur, could be significant and could have a material and adverse effect on our financial condition, results of operations and cash flows. From time to time we are also involved in external governmental investigations, audits and reviews. Reviews, audits and investigations of this sort can lead to government actions, which can result in recoupment of reimbursement, civil or criminal fines or penalties, or other sanctions, including restrictions or changes in the way we conduct business, loss of licensure or exclusion from participation in government healthcare programs. Failure to comply with applicable laws, regulations and rules could have a material and

adverse effect on our financial condition, results of operations and cash flows. Furthermore, responding to governmental investigations, audits and reviews can also require us to incur significant legal and document production expenses, regardless of whether the particular investigation, audit or review leads to identification of underlying noncompliance or wrongdoing. **Page18** As a result of increased post- payment reviews of claims we submit to Medicare and Medicaid for our services, we may incur additional costs and may be required to repay amounts already paid to us. We are subject to regular post- payment inquiries, investigations and audits of claims we submit to Medicare and Medicaid for payment for our services. These post- payment reviews have increased as a result of government cost- containment initiatives. These additional post- payment reviews may require us to incur costs to respond to requests for records and to pursue the reversal of payment denials, and ultimately may require us to refund amounts paid to us by Medicare or Medicaid that are determined to have been overpaid. For a further description of this and other laws and regulations involving governmental reimbursements, see " Business — Government Regulation " in Item 1. An economic downturn, state budget pressures, sustained unemployment and continued deficit spending by the federal government may result in a reduction in reimbursement and covered services. An economic downturn could have a detrimental effect on our revenues. Historically, state budget pressures have translated into reductions in state spending. Given that Medicaid outlays are a significant component of state budgets, we can expect continuing cost containment pressures on Medicaid outlays for our services in the states in which we operate. In addition, an economic downturn, coupled with sustained unemployment, may also impact the number of enrollees in managed care programs as well as the profitability of managed care companies, which could result in reduced reimbursement rates. The existing federal deficit, as well as deficit spending by federal and state governments as the result of adverse economic developments or other reasons, can lead to continuing pressure to reduce governmental expenditures for other purposes, including government- funded programs in which we participate, such as Medicare and Medicaid. Such actions in turn may adversely affect our operations and revenue. Delays in reimbursement due to state budget deficits may increase in the future, adversely affecting our liquidity. There is a delay between the time that we provide services and the time that we receive reimbursement or payment for these services. Many of the states in which we operate are operating with budget deficits for their current fiscal year. These and other states may in the future delay reimbursement, which would adversely affect our liquidity. In addition, from time to time, procedural issues require us to resubmit claims before payment is remitted, which contributes to our aged receivables. Additionally, unanticipated delays in receiving reimbursement from state programs due to changes in their policies or billing or audit procedures may adversely impact our liquidity and working capital. We fund operations primarily through the collection of accounts receivable. Delays in reimbursement due to claims submission reimbursement processes may cause liquidity problems. There are delays in reimbursement from the time we provide services to the time we receive reimbursement or payment for these services. Delays may result from changes by third- party payors to data submission requirements or requests by fiscal intermediaries for additional data or documentation, among other issues. If we have information system problems or issues that arise with Medicare or Medicaid or private health insurers, we may encounter delays in our payment cycle. Such timing delays may cause working capital shortages. Working capital management, including prompt and diligent billing and collection, is an important factor in our results of operations and liquidity. System problems, Medicare or Medicaid issues or industry trends may extend our collection period, adversely impact our working capital. Our working capital management procedures may not successfully negate ~~Page19~~ this risk. There are often timing delays when attempting to collect funds from Medicaid programs. Delays in receiving reimbursement or payments from these programs may adversely impact our working capital. We depend in part upon reimbursement by third- party payors. A substantial portion of our revenues are derived from private and governmental third-party payors. In ~~2022~~ **2023** , approximately ~~44~~ **54** % of our ~~traditional revenue~~ **revenues** ~~, excluding COVID- 19 response sales and services,~~ were derived collectively from managed care plans, commercial health insurers, workers' compensation payors, and other private pay revenue sources while approximately ~~56~~ **46** % of our ~~traditional revenue~~ **revenues** ~~, excluding COVID- 19 response sales and services,~~ were derived from Medicare and Medicaid. Initiatives undertaken by industry and government to contain healthcare costs affect our profitability. These payors attempt to control healthcare costs by contracting with healthcare providers to obtain services on a discounted basis. We believe that this trend will continue and may limit reimbursement for healthcare services. Additionally, from time to time our contracts with payors are terminated, amended or renegotiated, sometime unilaterally through policies. If insurers or managed care companies from whom we receive substantial payments were to terminate, amend or renegotiate contracts or reduce the amounts they pay for services, our profit margins may decline, or we may lose patients if we choose not to renew our contracts with these insurers at lower rates. **Page19** We face inspections, reviews, audits and investigations under federal and state government programs and contracts. These audits could have adverse findings that may negatively affect our business. As a result of our participation in the Medicare and Medicaid programs, we are subject to various governmental inspections, reviews, audits and investigations to verify our compliance with these programs and applicable laws and regulations. Private health insurers may also reserve the right to conduct audits. An adverse inspection, review, audit or investigation could result in: • refunding amounts we have been paid pursuant to the Medicare or Medicaid programs or from private health insurers; • state or federal agencies imposing fines, penalties and other sanctions on us; • temporary suspension of payment for new patients; • decertification or exclusion from participation in the Medicare or Medicaid programs or one or more managed care payor networks; • damage to our reputation; and • loss of certain rights under, or termination of, our contracts with private health insurers. If adverse inspections, reviews, audits or investigations occur and any of the results noted above occur, it could have a material adverse effect on our business and operating results. We are subject to extensive federal and state laws and regulations relating to the privacy and security of protected health information and failure to comply with such laws may increase our operational costs. HIPAA privacy and security regulations establish a complex regulatory framework governing the use and disclosure of protected health information (" PHI"), including, for example, the circumstances under which uses and disclosures of PHI are permitted or required without a specific authorization by the patient; a patient' s right to access, amend and receive an accounting of certain disclosures of PHI; the content of notices of privacy

practices describing how PHI is used and disclosed and individuals' rights with respect to their PHI; and implementation of administrative, technical and physical safeguards to protect privacy and security of PHI. The federal privacy regulations restrict our ability to use or disclose certain individually identifiable patient health information, without patient authorization, for purposes other than payment, treatment or healthcare operations (as defined by HIPAA), except for disclosures for various public policy purposes and other permitted purposes outlined in the privacy regulations. The HIPAA privacy and security regulations do not supersede state laws that may be more stringent; therefore, we are required to comply with both federal privacy and security regulations and varying state privacy and security laws and regulations. The HIPAA privacy and security regulations also require healthcare providers like us to notify affected individuals, the HHS Secretary, and in some cases, the media, when PHI has been " breached ", as defined by HIPAA. Many states have similar breach notification laws. We have established policies and procedures in an effort to ensure compliance with the HIPAA privacy and security regulations and similar state laws. However, if there is a breach, we may be required to incur costs to mitigate and remediate the impact of the breach on affected individuals, and therefore could incur substantial operational and financial costs related to such mitigation and remediation. Additionally, HIPAA, and its implementing regulations provide for significant civil fines, criminal penalties, and other sanctions for failure to comply with the privacy, security, and breach notification rules, including for wrongful or impermissible use or disclosure of PHI. Although HIPAA regulations do not expressly provide for a private right of action for damages, we could incur damages under state laws to private parties for the wrongful or impermissible use or disclosure of confidential health information or other private personal information. Additionally, HIPAA allows state Attorneys General to bring an action against a covered entity, such as us, for a violation of HIPAA. We insure some of our risk with respect to HIPAA security breaches, but operational costs and penalties associated with HIPAA breaches easily could exceed our insured limits. ~~Page20~~ HIPAA regulations impose additional requirements, restrictions and penalties on covered entities and their business associates to, among other things, deter breaches of security. Our electronic health records system is periodically modified to meet applicable security standards. Despite the implementation of various security measures by us, our infrastructure may be vulnerable to computer viruses, break- ins and other disruptive problems inadvertently introduced by authorized users such as employees and clients, or purposefully targeted by hackers and other cybercriminals which could lead to interruption, delays or cessation in service to our clients. Further, such incidents, whether electronic or physical, could jeopardize the security of confidential information, including PHI and other sensitive information stored in our computer systems related to clients, patients, and other parties connected through us, which may deter potential clients and give rise to uncertain liability to parties whose security or privacy has been infringed. A significant security breach could result in fines, loss of clients, damage to our reputation, direct damages, costs of repair and detection, costs to remedy the breach, government penalties, and other expenses. We insure some of our risk with respect to security breaches but the occurrence of any of the foregoing events could have a material adverse effect on our business, results of operations and our financial condition. **Page20** Our products may be subject to future rounds of Medicare' s Competitive Bidding Program, which may negatively affect our business and financial condition. The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 required the HHS to establish and implement programs under which competitive acquisition areas are established throughout the United States for purposes of awarding contracts for the furnishing of competitively priced items of DME. CMS, the agency responsible for administering the Medicare program, conducts a competition for each competitive acquisition area under which providers submit bids to supply certain covered items of DME. Under the competitive bidding program, DME suppliers compete to become Medicare contract suppliers by submitting bids to furnish certain items in competitive bidding areas. As part of the competitive bidding process, SPAs replace the current Medicare DME fee schedule payment amounts for selected items in certain areas of the country. The SPAs are determined by using bids submitted by DME suppliers. Successful bidders must meet certain program quality standards in order to be awarded a contract and only successful bidders can supply the covered items to Medicare beneficiaries in the acquisition area. There are, however, regulations in place that allow non- contracted providers to continue to provide products and services to their existing customers at the new competitive bidding payment amounts. The contracts are expected to be re- bid every three years. CMS is required to award contracts to multiple entities submitting bids in each area for an item or service, but has the authority to limit the number of contractors in a competitive acquisition area as necessary to meet projected demand. In 2019, CMS announced the inclusion of non- invasive ventilator products on the list of products subject to the competitive bidding program in Round 2021 which covers the period of January 1, 2021 through December 31, 2023. Rental revenue from ventilator products represents a significant portion of our revenue (approximately ~~67~~ **59** . ~~9~~ **2** % of total ~~traditional~~ revenue ~~, excluding COVID- 19 response sales and services,~~ in ~~2022~~ **2023**). On March 9, 2020, CMS announced that due to the COVID- 19 pandemic, the United States President' s exercise of the Defense Production Act, public concern regarding access to ventilators, and the non- invasive ventilators product category being new to the competitive bidding program, non- invasive ventilators were removed as a product category from Round 2021. On October 27, 2020, CMS announced that it had removed 13 of the 15 remaining product categories from Round 2021, including oxygen and PAP devices, because the payment amounts did not achieve expected savings. As a result of these announcements, we retain the ability to continue to furnish non- invasive ventilators and oxygen and PAP devices for all of our Medicare accredited areas. The current Round 2021 contracts ~~expire~~ **expired** on December 31, 2023 and CMS has not announced a new round of competitive bidding. Historically, CMS announces new rounds of competitive bidding and starts the process approximately 18 months prior to the contract start date. We cannot predict at this time the full impact the competitive bidding program and the developments in the competitive bidding program will have on our business and financial condition. In addition, we cannot assure you that non- invasive ventilators and oxygen and PAP devices will not be included on the list of products subject to the competitive bidding program in the future. If changes are made to the competitive program in the future, it could affect our reimbursement and revenue. If CMS requires prior authorization for our products, our revenue and cash flow could be negatively impacted. CMS maintains a Master List of Items Frequently Subject to Unnecessary Utilization. This list identifies items that could potentially be subject to prior authorization as

a condition of Medicare Payment. On April 22, 2019, CMS added home ventilators used with a non- invasive interface to the Master List of Items Frequently Subject to Unnecessary Utilization. If CMS imposes prior authorization requirements for non-invasive home ventilation, it could materially impact our business, revenue and cash flow. ~~Page21~~ If we fail to comply with state and federal fraud and abuse laws, including anti- kickback laws, false claims acts, self- referral prohibitions, and anti-inducement laws, we could face substantial penalties and our business, operations and financial condition could be adversely affected. The Federal Anti- Kickback Statute prohibits, among other things, knowingly and willfully offering, paying, soliciting or receiving remuneration, directly or indirectly, overtly or covertly, to induce or in return for purchasing, leasing, ordering, or arranging for the purchase, lease or order of any item or service reimbursable under Medicare, Medicaid, or any other federal healthcare program. The Anti- Kickback Statute, and similar state laws prohibit payments intended to induce physicians or others to refer patients or to acquire or arrange for or recommend the acquisition of healthcare products or services. These laws restrict sales, marketing and other promotional activities by limiting the kinds of financial arrangements, including sales programs, which may be used with hospitals, physicians, and other potential purchasers or prescribers of our products. The statutory exceptions and regulatory safe harbors protecting certain common activities from prosecution are drawn narrowly, and any remuneration to or from a prescriber or purchaser of healthcare products or services may be subject to scrutiny if they do not qualify for an exception or safe harbor. Our practices may not in all cases meet all of the criteria for safe harbor protection from anti- kickback liability. However, practices that do not fit into a safe harbor are not per se illegal, and are instead analyzed based on the particular facts and circumstances to determine whether the practice presents a low risk of fraud and abuse. Although we believe our practices are compliant with applicable safe harbors, we cannot assure you that a government regulator will not take the position that some of our practices do not meet all of the narrow criteria of an applicable safe harbor and otherwise violate the Anti- Kickback Statute. **Page21** The Federal False Claims Act prohibits, in part, any person from knowingly presenting or causing to be presented a false claim for payment to the federal government, or knowingly making or causing to be made a false statement to get a false claim paid. The majority of states also have statutes or regulations similar to the Federal Anti- Kickback Statute and Federal False Claims Act, which apply to items or services reimbursed under Medicaid and other state programs, or, in certain states, apply regardless of payor. These false claims acts allow any person to bring suit in the name of the government alleging false and fraudulent claims presented to or paid by the government (or for other violations of the statutes) and to share a certain portion of amounts paid by the entity to the government in fines or settlement. Such suits, often referred to as qui tam actions, have increased significantly in the healthcare industry in recent years. Sanctions under these federal and state laws may include civil monetary penalties, exclusion from participation in the Medicare and Medicaid programs, criminal fines and imprisonment. In addition, the ACA, among other things, amended the intent requirement of the Federal Anti- Kickback Statute and criminal healthcare fraud statutes. A person or entity generally does not need to have actual knowledge of these statutes or specific intent to violate them in order to have criminal and / or civil exposure. In addition, the ACA provides that the government may assert that a claim, including items or services resulting from a violation of the Federal Anti- Kickback Statute, constitutes a false or fraudulent claim for purposes of the Federal False Claims Act. Because of the breadth of these laws and the narrowness of the safe harbors and exceptions, it is possible that some of our business activities could be subject to challenge under one or more of such laws. Such a challenge, regardless of the outcome, could have a material adverse effect on our business, business relationships, reputation, financial condition and results of operations. The Ethics in Patient Referrals Act, commonly known as the" Stark Law," prohibits a physician from making referrals for certain" designated health services" payable by Medicare to an entity, including a company that furnishes DME, in which the physician or an immediate family member of such physician has an ownership or investment interest or with which the physician has entered into a compensation arrangement, unless a statutory or regulatory exception applies. The majority of states also have statutes or regulations similar to the Stark Law, which apply to items or services reimbursed under Medicaid and other state programs, or, in several states, apply regardless of payor. Violation of the Stark Law and similar state laws could result in denial of payment, disgorgement of reimbursements received under a noncompliant arrangement, civil penalties, damages and exclusion from Medicare or other governmental and state programs. Although we believe that we have structured our provider arrangements to comply with current Stark Law and state equivalent requirements, these requirements are highly technical and there can be no guarantee that regulatory authorities will not determine or assert that our arrangements are in violation of the Stark Law and state equivalents and do not otherwise meet applicable exceptions. The Civil Monetary Penalties Law imposes civil monetary penalties and potential exclusion from Medicare and Medicaid programs on any person who offers or transfers remuneration to any patient who is a Medicare or Medicaid beneficiary, when the person knows or should know that the remuneration is likely to induce the patient to receive medical services from a particular provider. The Federal Civil Monetary Penalties Law applies, among other things, to many kinds of inducements or benefits provided to patients, including complimentary items, services or transportation that are of more than nominal value. We have structured our operations and provision of services to patients in a manner that we believe complies with the law and its interpretation by government authorities. We cannot assure you, however, that government authorities will not take a contrary view and impose civil monetary penalties and exclude us from participation in Medicare and Medicaid for past or present practices related to patient incentive, coordination of care and need- based programs. The scope and enforcement of each of these laws is uncertain and subject to rapid change in the current environment of healthcare reform, especially in light of the lack of applicable precedent and regulations. If our operations are found to be in violation of any of ~~Page22~~ the laws described above or any other government regulations that apply to us, we may be subject to penalties, including civil and criminal penalties, damages, fines and the curtailment, restructuring, or restricting of our operations. Any penalties, damages, fines, curtailment or restructuring or our operations could harm our ability to operate our business and our financial results. Any action against us for violation of these laws, even if we successfully defend against it, could cause us to incur significant legal expenses and divert our management' s attention from operation of our business. Moreover, achieving and sustaining compliance with applicable federal and state fraud laws may prove costly. The implementation of alternative payment

models and the transition of Medicaid and Medicare beneficiaries to managed care organizations may limit our market share and could adversely affect our revenues. Many government and commercial payors are transitioning providers to alternative payment models that are designed to promote cost- efficiency, quality and coordination of care. For example, accountable care organizations (“ ACOs ”) incentivize hospitals, physician groups, and other providers to organize and coordinate patient care while reducing unnecessary costs. Several states have implemented, or plan to implement, accountable care models for their Medicaid populations. We cannot predict how the continued establishment and implementation of these new business models will impact our business. There is the possibility that value- based payment models, such as ACOs, will drive down the utilization and / or reimbursement rates for our services. We may not be able to gain access into certain ACOs. If we are not included in these programs, or if ACOs establish programs that overlap with our services, we could experience an adverse effect on our operations and financial condition. **Page22** We may be similarly impacted by increased enrollment of Medicare and Medicaid beneficiaries in managed care plans, shifting away from traditional fee- for- service models. Under the managed Medicare program, also known as Medicare Advantage, the federal government contracts with private health insurers to provide Medicare benefits. Insurers may choose to offer supplemental benefits and impose higher plan costs on beneficiaries. Approximately one ~~third~~ **half** of Medicare beneficiaries were enrolled in a Medicare Advantage plan in ~~2022~~ **2023** ; a figure that continues to grow. Similarly, enrollment in managed Medicaid plans is also growing, as states are increasingly relying on managed care organizations to deliver Medicaid program services as a strategy to control costs and manage resources. We may experience increased competition for managed care contracts due to state regulation and limitations. We cannot assure you that we will be successful in our efforts to be included in plan networks, that we will be able to secure favorable contracts with all or some of the managed care organizations, that our reimbursement under these programs will remain at current levels, that authorizations for services will remain at current levels or that our profitability will remain at levels consistent with past performance. In addition, operational processes may not be well defined as a state transitions Medicaid beneficiaries to managed care. For example, membership, new referrals and related authorizations for services may be delayed, which may result in delays in service delivery to consumers or in payment for services rendered. Difficulties with operational processes may negatively affect our revenue growth rates, cash flow and profitability for services provided. In addition, other alternative payment models may be adopted by the government and commercial payors to control costs that subject us to financial risk. We cannot predict at this time what alternative payment models may be presented and what effect such new payment models may have on our operations or financial condition in the future. We are subject to federal, state and local laws and regulations that govern our employment practices, including minimum wage, living wage, and paid time- off requirements. Failure to comply with these laws and regulations, or changes to these laws and regulations that increase our employment- related expenses, could adversely impact our operations. We are required to comply with all applicable federal, state and local laws and regulations relating to employment, including occupational safety and health requirements, wage and hour and other compensation requirements, employee benefits, providing leave and sick pay, employment insurance, proper classification of workers as employees or independent contractors, immigration and equal employment opportunity laws. These laws and regulations can vary significantly among jurisdictions and can be highly technical. Costs and expenses related to these requirements are a significant operating expense and may increase as a result of, among other things, changes in federal, state or local laws or regulations, or the interpretation thereof, requiring employers to provide specified benefits or rights to employees, increases in the minimum wage and local living wage ordinances, increases in the level of existing benefits or the lengthening of periods for which unemployment benefits are available. We may not be able to offset any increased costs and expenses. Furthermore, any failure to comply with these laws requirements, including even a seemingly minor infraction, can result in significant penalties which could harm our reputation and have a material adverse effect on our business. In addition, certain individuals and entities, known as excluded persons, are prohibited from receiving payment for their services rendered to Medicaid, Medicare and other federal and state healthcare program beneficiaries. If we inadvertently hire or contract with an excluded person, or if any of our current employees or contractors becomes an excluded person in the future without our knowledge, we may be subject to substantial civil penalties, including up to $ 20, 000 for each item or service furnished by the excluded individual to a federal or state healthcare program beneficiary, an assessment of up to three times the amount claimed and exclusion from the program. ~~Page23~~ Each of our subsidiaries that employ an average of at least 50 full- time employees in a calendar year are required to offer a minimum level of health coverage for 95 % of our full- time employees in ~~2022~~ **2023** or be subject to an annual penalty. **Page23** Risks Related to our Common Shares We are an" emerging growth company" and ~~a" smaller reporting company" and~~ the reduced disclosure requirements applicable to" emerging growth ~~companies" and" smaller reporting~~ companies" may make our common stock less attractive to investors. As an “ emerging growth company ” as defined in the JOBS Act, we are permitted to, and intend to, rely on exemptions from certain disclosure requirements. We are an emerging growth company until the earliest of: **• December 31, 2024, the last day of the fiscal year following the fifth anniversary of the first sale of common equity securities pursuant to an effective registration statement under the Securities Act;** • the last day of the fiscal year during which we have total annual gross revenues of $ 1. 07 billion or more ~~; • the last day of the fiscal year following the fifth anniversary of the first sale of common equity securities pursuant to an effective registration statement under the Securities Act~~ ; • the date on which we have, during the previous 3- year period, issued more than $ 1 billion in non- convertible debt; or • the date on which we are deemed a “ large accelerated filer ” as defined under the federal securities laws. For so long as we remain an “ emerging growth company, ” we will not be required to: • have an auditor report on our internal control over financial reporting pursuant to the Sarbanes- Oxley Act of 2002; • include detailed compensation discussion and analysis in our filings under the Exchange Act and instead may provide a reduced level of disclosure concerning executive compensation; or • hold nonbinding advisory votes on executive compensation or stockholder approval of any golden parachute payments not previously approved. In addition, the JOBS Act provides that an “ emerging growth company ” can take advantage of the extended transition period for complying with new or revised accounting standards. We have elected to take advantage of the extended

transition period, which allows us to delay the adoption of new or revised accounting standards until those standards apply to private companies. As a result of this election, our financial statements may not be comparable to public companies that comply with new or revised accounting standards. ~~We are also a smaller reporting company, and we will remain a smaller reporting company until the fiscal year following the determination that our voting and non- voting common shares held by non- affiliates is $ 250 million or more measured on the last business day of our second fiscal quarter, or our annual revenues are $ 100 million or more during the most recently completed fiscal year and our voting and non- voting common shares held by non- affiliates is $ 700 million or more measured on the last business day of our second fiscal quarter. Similar to emerging growth companies, smaller reporting companies are able to provide simplified executive compensation disclosure and have certain other reduced disclosure obligations, including, among other things, being required to provide only two years of audited financial statements and not being required to provide supplemental financial information or risk factors.~~ The exact implications of the JOBS Act are still subject to interpretations and guidance by the SEC and other regulatory agencies, and we cannot assure you that we will be able to take advantage of all of the benefits of the JOBS Act. In addition, investors may find our common stock less attractive to the extent we rely on the exemptions available to emerging growth ~~companies and / or smaller reporting~~ companies for so long as we qualify as such. If some investors find our common shares less attractive as a result, there may be a less active trading market for our common shares and our share price may decline or become more volatile. If we fail to establish and maintain proper disclosure or internal controls, our ability to produce accurate financial statements and supplemental information, or comply with applicable regulations could be impaired. As we grow, we may be subject to growth- related risks including capacity constraints and pressure on our internal systems and controls. Our ability to manage growth effectively will require us to continue to implement and improve our operational and financial systems and to expend, train and manage our employee base. We must maintain effective disclosure controls and procedures. We must also maintain effective internal control over financial reporting or, at the appropriate time, our independent auditors will be unwilling or unable to provide us with an unqualified report on the effectiveness of our internal control over financial reporting as required by Section 404 (b) of the Sarbanes- Oxley Act. If we fail to maintain effective controls, investors may lose confidence in our operating results, the price of our common shares could decline and we may be subject to litigation or regulatory enforcement actions. ~~Page24~~ The market price for our common shares may experience substantial volatility for reasons unrelated to our financial performance. This volatility may impact the price at which shareholders can sell their common shares. Our common shares are listed and posted for trading ~~in the United States~~ on the Nasdaq Capital Market ~~and Canada on the TSX~~ . Securities of small- cap and healthcare companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally, and market perceptions of the attractiveness of particular industries. The price of our common shares is also likely to be significantly affected by short- term changes in the cost of goods, or in financial condition or results of our operations. Other factors unrelated to our performance that may have an effect on the price of our common shares include the following: the extent of analytical coverage available to investors concerning our business may be limited if investment banks with research capabilities do not follow our securities; lessening in trading volume and general market interest in our securities may affect an investor' s ability to trade significant numbers of our common shares; the size of our public float may limit the ability of some institutions to invest in our securities; and a substantial decline in the price of our common shares that persists for a significant period of time could cause our securities, if listed on an exchange, to be delisted from such exchange, further reducing market liquidity. **Page24** As a result of any of these factors, the market price of our common shares at any given point in time may not accurately reflect our long- term value. Securities class- action litigation often has been brought against companies following periods of volatility in the market price of their securities. We may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management' s attention and resources. The failure of our common shares to be included in various stock indices could result in the market for our common shares to become limited and volatile and the price at which you can sell your shares to decrease. Your ability to sell or purchase our common shares depends upon the existence of an active trading market for our common shares. Additionally, a fair valuation of the purchase or sales price of our common shares also depends upon an active trading market, and thus the price you receive for a thinly- traded stock may not reflect its true value. A limited trading market for common shares may cause fluctuations in the market value of those common shares to be exaggerated, leading to price volatility in excess of that which would occur in a more active trading market. Although our common shares are quoted on the Nasdaq Capital Market, the volume of trades on any given day has historically been limited. As a result, shareholders might not have been able to sell or purchase our common shares at the volume, price or time desired. If our common shares are removed from various stock indices, the volume of trading in our shares may decrease materially as well as the prices at which our shares trade. Future sales of our common shares in the public market could reduce our share price, and any additional capital raised by us through the sale of equity or convertible securities may dilute the ownership of existing shareholders. We will require additional funds in order to finance the further development of our business, which funds could be raised by, among other things, the issuance and sale of common shares. Sales of substantial amounts of our common shares (including shares issued in connection with an acquisition), or the perception that such sales could occur, may adversely affect prevailing market prices of our common shares. The perception in the public market that major shareholders might sell substantial amounts of our common shares could also depress the market price of our common shares. In the future, we may attempt to obtain financing or further increase our capital resources by issuing additional shares of our common shares or by offering debt or other equity securities, including senior or subordinated notes, debt securities convertible into equity or shares of preferred stock. Issuing additional common shares or other equity securities or securities convertible into equity may dilute the economic and voting rights of our existing shareholders or reduce the market price of our common shares or both. Upon liquidation, holders of such debt securities and preferred shares, if issued, and lenders with respect to other borrowings would receive a distribution of our available assets prior to the holders of our common shares. Debt securities convertible into equity

could be subject to adjustments in the conversion ratio pursuant to which certain events may increase the number of equity securities issuable upon conversion. Preferred shares, if issued, could have a preference with respect to liquidating distributions or a preference with respect to dividend payments that could limit our ability to pay dividends to the holders of our common shares. Our decision to issue securities in any future offering will, in part, depend on market conditions and other factors beyond our control, which may adversely affect the amount, timing or nature of our future offerings. Thus, holders of our common shares bear the risk that future offerings may reduce the market price of our common shares and dilute their shareholdings. We cannot predict the size of future issuances of our common shares or securities convertible into common shares or the effect, if any, that future issuances and sales of shares of our common shares will have on the market price of our common shares. ~~Page25~~ We will incur increased costs as a result of operating as a U. S. public reporting company, and our management is required to devote substantial time to new compliance initiatives. As a U. S. public reporting company, we will incur, particularly after we are no longer an " emerging growth company, " significant legal, accounting and other expenses. In addition, the Sarbanes- Oxley Act of 2002 and rules subsequently implemented by the SEC and NASDAQ have imposed various requirements on U. S. public companies, including establishment and maintenance of effective disclosure and financial controls and corporate governance practices. We may have to hire additional accounting, finance, and other personnel in connection with our efforts to comply with the requirements of being a U. S. public reporting company, and our management and other personnel will need to devote a substantial amount of time towards maintaining compliance with these requirements. These requirements increase our legal and financial compliance costs and will make some activities more time- consuming and costly. **Page25 We no longer qualify as a " smaller reporting company " and, subject to certain exemptions and relief from various reporting requirements that are applicable to emerging growth companies, we will be required to comply with larger company disclosure obligations beginning with our Quarterly Report on Form 10- Q for the quarterly period ended March 31, 2024, which may increase our costs and demands on management. As of June 30, 2023, we determined that we no longer qualify as a " smaller reporting company " and, subject to certain exemptions and relief from various reporting requirements that are applicable to emerging growth companies, we will be required to comply with larger company disclosure obligations beginning with our Quarterly Report on Form 10- Q for the quarterly period ended March 31, 2024. The loss of smaller reporting company status and compliance with such larger company disclosure obligations (subject to certain exemptions and relief from various reporting requirements that are applicable to emerging growth companies) may increase our legal and financial compliance costs and cause management and other personnel to divert attention from operational and other business matters to devote additional time to public company reporting requirements. In addition, if we are not able to comply with changing requirements in a timely manner, the market price of our common shares could decline and we could be subject to sanctions or investigations by the stock exchanges on which our common shares are listed, the SEC or other regulatory authorities, which would require additional financial and management resources.** Because we have no **current** ~~near term~~ plans to pay cash dividends on our common shares, investors **may not receive any** ~~must look solely to share appreciation for a~~ return on their investment ~~in us~~ **unless the value of our common shares appreciates** . We **may** ~~currently intend to~~ retain all available funds and any future earnings for use in the operation and expansion of our business and ~~does~~ **have** ~~not~~ **no** ~~anticipate declaring or paying~~ **current plans to pay** any cash dividends on our common shares ~~in the near term~~ . Any future determination as to the declaration and payment of cash dividends will be at the discretion of our board of directors (the " Board ") and will depend on then- existing conditions, including our financial condition, results of operations, contractual restrictions, capital requirements, business prospects, and other factors that the Board considers relevant. Accordingly, investors ~~will~~ **may** only see a return on their investment if the value of our common shares appreciates. Canadian laws differ from the laws in effect in the United States and may afford less protection to holders of our securities. We are a Canadian corporation and are subject to the Business Corporations Act and certain other applicable securities laws as a Canadian issuer, which laws may differ from those governing a company formed under the laws of a United States jurisdiction. The provisions under Business Corporations Act and other relevant laws may affect the rights of shareholders differently than those of a company governed by the laws of a United States jurisdiction, and may, together with our notice of articles and articles (the " Articles "), have the effect of delaying, deferring or discouraging another party from acquiring control of our company by means of a tender offer, a proxy contest or otherwise, or may affect the price an acquiring party would be willing to offer in such an instance. **Page26**