

**HEMOSTEMIX INC.**

**INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS  
– QUARTERLY HIGHLIGHTS**

**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2025  
(EXPRESSED IN CANADIAN DOLLARS)**

## Introduction

The following interim Management's Discussion and Analysis ("MD&A") covers the operations, financial position and operating results of Hemostemix Inc. (the "Company", "Hemostemix", "we", "us" or "our") for the three and nine months ended September 30, 2025 and 2024. It is intended to help readers better understand the operations and key financial results, as they are, in our opinion, at the date of this report and should be read in conjunction with the unaudited condensed consolidated interim financial statements of the Company for the three and nine months ended September 30, 2025 and 2024 and the accompanying notes which have been prepared under IFRS® Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The unaudited condensed consolidated interim financial statements have been reviewed by the Audit Committee of the Company and have been approved by its Board of Directors on November 28, 2025. Additional information relating to the Company is available on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com) as well as the Company's website at [www.hemostemix.com](http://www.hemostemix.com).

## Cautionary Note Regarding Forward-Looking Information

This Interim MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this Interim MD&A speak only as of the date of this Interim MD&A or as of the date specified in such statement. The following table outlines certain significant forward-looking statements contained in this Interim MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward-looking statements.

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| Forward-looking statements                                                                                                                                                     | Assumptions                                                                                                                                                                                                                                                                                                                                                                                                              | Risk factors                                                                                                                                                                                                                                                                                                                             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Potential of the Company's belief that its products and research and development efforts are targeting diseases and conditions with significant unmet medical treatment needs; | Financing will be available for future research and development of the Company's products; the Company will be able to retain and attract skilled staff; all requisite regulatory and governmental approvals for biotechnical projects and other operations will be received on a timely basis upon terms acceptable to the Company, and applicable political and economic conditions will be favourable to the Company. | Unforeseen changes in the legislative and operating framework for the business of the Company; unstable competitive environment; and significant events occurring outside the ordinary course of business such as a natural disaster or other calamity                                                                                   |
| The Company's ability to meet its working capital needs at the current level for the twelve-month period ending September 30, 2026                                             | The operating and research activities of the Company for the twelve-month period ending September 30, 2026 and the costs associated therewith, will be consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions will be favourable to the Company                                                                               | Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; interest rate and exchange rate fluctuations; changes in economic conditions                                                                                                                                  |
| The Company's ability to carry out anticipated research and development on its stem cell technologies                                                                          | The operating activities of the Company for the three months ended December 31, 2025, and the costs associated therewith, will be consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to the Company                                                                                                        | Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; environmental compliance and changes in environmental and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions; receipt of applicable permits |
| Management's outlook regarding future trends                                                                                                                                   | Financing will be available for the Company's manufacturing of their products and technologies will be favourable to the Company                                                                                                                                                                                                                                                                                         | Changes in debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions                                                                                                                                                                                                           |
| A total of \$125,000 is estimated per quarter for corporate expenses                                                                                                           | Actual costs of the various line items of the budget are consistent with the costs that management anticipates                                                                                                                                                                                                                                                                                                           | Costs could vary from management's expectations                                                                                                                                                                                                                                                                                          |

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

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

## **Description of Business**

Hemostemix, located at Suite 1150, 707-7th Avenue SW, Calgary, AB T2P 3H6, is a biotechnology company developing, manufacturing, and commercializing blood-derived stem cell therapies for conditions not adequately treated by current options. Formed in 2002, and November 2014 under the Business Corporations Act (Alberta), the Company began trading on the TSX Venture Exchange on November 27, 2014, under "HEM", on the OTCQB in October 2018 under "HMTXF", and on the Frankfurt Stock Exchange in April 2021 under "2VFO".

The unaudited condensed consolidated interim financial statements include Hemostemix Inc. and its wholly-owned subsidiaries: Kwalata Trading Limited, Hemostemix Ltd., PreCerv Inc., Hemostemix Quebec Inc., and Hemostemix PR Inc. Kwalata, incorporated in Cyprus, holds the Company's IP. Hemostemix Ltd., incorporated in Israel for manufacturing and R&D, ceased operations October 1, 2017. PreCerv, incorporated June 14, 2022, holds a global license for NCP-01 and ACP-01 to treat central and peripheral nervous system conditions, including neuropathic pain, traumatic spinal cord and brainstem injury, traumatic brain injury, and peripheral nerve injury. Hemostemix Quebec Inc. was incorporated August 15, 2023, and Hemostemix PR Inc. on August 22, 2024.

## **Business Overview**

We are a clinical-stage biotechnology company with a patented stem cell platform developing, manufacturing, and commercializing blood-derived stem cell therapies for diseases not adequately treated by current therapeutics. Our IP covers synergetic cell populations differentiated into angiogenic cell precursors ("ACPs", including ACP-01), neural cell precursors ("NCPs"), and cardiomyocyte cell precursors (CCP).

## **Outlook and Economic Conditions**

### **Outlook**

The Company remains confident in its technology, as ACP-01's safety and efficacy is demonstrated in four heart studies, three CLI trials, and 11 peer reviewed publications. With no assurance of success, the company has started commercial sale of ACP-01 treatment in The Bahamas, and Florida. Management has sold 23 treatment convertible debentures and continues to pursue funding alternatives—equity, debt, convertible debentures, government or partnership support—which may be dilutive.

### **Corporate, Product, Clinical Trial and Financing Update**

The following items highlight the Company's activities during the nine months ended September 30, 2025 and any subsequent development up until the date hereof.

On January 7, 2025, the Company issued 4,085,461 shares at \$0.10 per share to satisfy the interest owing from January 1, 2023 to September 30, 2024 of \$408,546 on the outstanding \$2,750,000 Convertible Debenture.

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On January 28, 2025, 50,000 warrants at a price of \$0.25 were exercised.

On January 30, 2025, 180,000 options at a price of \$0.07 were exercised by a director of the Company.

On February 10, 2025, 57,140 warrants at a price of \$0.175 were exercised.

On February 11, 2025, 57,140 debenture warrants at a price of \$0.20 were exercised.

On February 19, 2025, the Company announced an arm's length perpetual royalty-free global license to CytolImmune's Bioreactor stem cell technologies. Subject to the TSXV Exchange acceptance, and other conditions, Hemostemix will pay CytolImmune \$5,000,000 (twenty million shares) for the perpetual global royalty free license.

On March 5, 2025, 16,000 warrants at a price of \$0.05 were exercised.

On March 7, 2025, 200,000 warrants at a price of \$0.12 were exercised.

On May 11, 2025, the Company announced that it had closed a non-brokered private placement of \$336,500 USD, issuing 1,634,466 common shares at \$0.295CAD.

On June 27, 2025, 20,980 warrants at a price of \$0.12 were exercised.

On June 27, 2025, 38,400 warrants at a price of \$0.12 were exercised.

On June 27, 2025, 147,200 warrants at a price of \$0.05 were exercised.

On June 27, 2025, 294,400 warrants at a price of \$0.05 were exercised.

On June 27, 2025, 73,600 warrants at a price of \$0.05 were exercised.

On July 3 2025, the Company closed a non-brokered private placement consisting of an aggregate of 3,911,385 common shares at a price of \$0.12 per common share for gross proceeds of \$469,366.

On July 14, 2025, the Company closed the sale of 15 ACP-01 Therapy Convertible Debentures for proceeds of USD\$517,230. Full details can be found in the interim financial statements in note 6.

On July 15, 2025, 273,600 warrants at a price of \$0.05 were exercised.

On July 23, 2025, the Company closed a non-brokered private placement consisting of an aggregate of 30,000,000 units at a price of \$0.10 per Unit for gross proceeds of \$3,000,000. Each unit ("Unit") consisted of one common share, and one common share purchase warrant, with each full warrant entitling the holder to acquire one common share at a price of \$0.15 per common share, for a period of 24 months. In connection with the private placement, the Company paid eligible finders fees of aggregate cash finder's fees of approximately \$100,032 as well as granted 1,000,320 agent warrants with a fair value of \$93,972 which are exercisable for a period of 24 months from closing to acquire common shares at a price of \$0.15 per common shares

On September 10, 2025, the Company issued 2,000,000 common shares at a deemed unit price of \$0.20 per common share to settle \$200,000 of debt.

## **Event subsequent to September 30, 2025**

On November 4, 2025, the Company announced it had closed the first tranche of its non-brokered private placement for gross proceeds of \$461,230 (the "Offering"). The Offering consisted of the issuance of an aggregate of 4,193,000 Units at a price of \$0.11 per Unit. Each Unit consists of one common share ("Common Share") in the capital of the Company and one common share purchase warrant ("Warrant"), with each full Warrant entitling the holder to acquire one Common Share at a price of \$0.15 per Common Share for a period of 24 months from the closing of the offering. In connection with the Offering, the Company paid eligible finders aggregate cash finder fees of approximately \$23,698 and issued 215,440 finder's options to purchase Common Shares of the Company at an exercise price of \$0.15 per Common Share within 24 months from the closing date of the Offering.

## **Overall Objective**

Hemostemix's overall objective is to commercialize its patented, blood-derived stem cell therapies to address serious diseases not adequately treated by current therapeutics. Hemostemix aims to advance its therapies through clinical development, demonstrating safety, efficacy, and scalability. With strategic partners, regulatory approvals, and sustainable funding, Hemostemix intends to make its regenerative therapies widely accessible to patients with significant unmet medical needs.

## **Trends**

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. Strong equity markets are favorable conditions for completing a public merger, financing, or acquisition transaction. Apart from these and the risk factors noted under the heading "Risks and Uncertainties", and "Outlook and Economic Conditions", management is not aware of any other trends, commitments, events, or uncertainties that would have a material effect on the Company's business, financial condition, or results of operations.

## **Off-Balance-Sheet Arrangements**

As of the date of this Interim 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 results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity, capital expenditures and capital resources that would be material to investors.

## **Share Capital**

As at September 30, 2025, the number of issued and outstanding common shares was 183,706,725 (December 31, 2024 – 140,641,953). As at November 28, 2025, the number of common shares issued and outstanding is 188,488,541.

As at September 30, 2025, the Company had 18,161,694 share purchase options outstanding (December 31, 2024 – 12,386,694). As at November 28, 2025, the number of outstanding share purchase options outstanding is 14,291,694.

As at September 30, 2025, the Company had 101,791,533 share purchase warrants outstanding (December 31, 2024 – 78,489,650). As at November 28, 2025, the number of outstanding warrants was 101,791,533.

## Product update

ACP-01 remains unchanged in its original, patented form to ensure full compliance with FDA requirements for human therapeutic use. The Company continues to maintain, document, and verify all manufacturing and quality processes to preserve this originality while supporting future regulatory submissions.

## Clinical Trial Updates

Hemostemix is advancing a Phase 1 basket protocol to demonstrate that, just as ACP-01 has shown benefit in end-stage CLTI, ICM, DCM, and angina—with or without comorbidities—it may also be effective earlier in disease progression and across multiple vascular and ischemic conditions. This basket design enables the Company to evaluate ACP-01 as a treatment for vascular dementia, the earliest medically detectable forms of PAD, CLTI, ICM, DCM, CHF, ischemic pain syndromes, and longevity-related vascular decline within a unified clinical framework. By studying these indications together, Hemostemix aims to validate ACP-01's broad mechanism of action and accelerate development for patients with significant unmet medical needs

## Trends and Economic Conditions

Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions.

Apart from these and the risk factors noted under the heading "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations.

## Financial and Operational Highlights

### Financial Performance

#### Three Months Ended September 30, 2025, Compared with Three Months Ended September 30, 2024

Hemostemix's net loss totaled \$472,812, for the three months ended September 30, 2025, with basic and diluted loss per share of \$0.00. This compares with a net loss of \$314,559 with basic and diluted loss per share of \$0.004 for the three months ended September 30, 2024. The change of \$158,253 was principally because:

- During the three months ended September 30, 2025, research and development expenses increased by \$401,551 compared to the three months ended September 30, 2024. These were predominately related to consulting fees paid to a consultant.
- The increase in share-based payments of \$472,701 for the three months ended September 30, 2025, compared to the three months ended September 30, 2024. This was due to the grant of 3,780,000 share options to directors, officers and consultants to the Company in the current period, versus nil share options in the prior. Share-based payments will vary from period to period depending upon the number of options granted and vested during a period and the fair value of the options calculated as at the grant date.
- During the three months ended September 30, 2025, marketing and office expenses increased by \$100,745 compared to the three months ended September 30, 2024. This is primarily due to an increase marketing expenditures during the period.
- During the three months ended September 30, 2025, professional fees increase by \$536,003 compared to the three months ended September 30, 2024 due to the increased legal fees related to the closing of the private placements occurred during the three months ended September 30, 2025.

All other expenses related to general working capital purposes.

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***Nine Months Ended September 30, 2025, Compared with Nine Months Ended September 30, 2024***

Hemostemix's net loss totalled \$2,067,122, for the nine months ended September 30, 2025, with basic and diluted loss per share of \$0.014. This compares with a net loss of \$1,309,437 with basic and diluted loss per share of \$0.015 for the nine months ended September 30, 2024. The change of \$757,685 was principally because:

- During the nine months ended September 30, 2025, research and development expenses increased by \$401,326 compared to the nine months ended September 30, 2024. These were predominately related to consulting fees paid to a consultant.
- The increase in share-based payments of \$1,026,823 for the nine months ended September 30, 2025, compared to the nine months ended September 30, 2024. This was due to the grant of 5,955,000 share options to directors, officers and consultants to the Company in the current period, versus nil share options in the prior. Share-based payments will vary from period to period depending upon the number of options granted and vested during a period and the fair value of the options calculated as at the grant date.
- During the nine months ended September 30, 2025, marketing and office expenses increased by \$79,026 compared to the nine months ended September 30, 2024. This is primarily due to an increase marketing expenditures during the period.
- During the three months ended September 30, 2025, professional fees increase by \$567,214 compared to the three months ended September 30, 2024 due to the increased legal fees related to the closing of the private placements occurred during the nine months ended September 30, 2025.

All other expenses related to general working capital purposes.

**Cash Flow**

At September 30, 2025, the Company had cash of \$1,156,705 compared to \$705,700 at December 31, 2024. The decrease in cash of \$451,005 was as a result of cash outflow in operating activities of \$2,827,303, a cash outflow from investing activities of \$145,580. and a cash inflow from financing activities of \$3,423,888.

Operating activities were affected by net loss of \$2,067,122, non-cash adjustments of \$579,702, and non-cash working capital items of \$1,339,883. Non-cash adjustments consisted of share-based payments of \$1,039,252, amortization of \$34 and finance expense of \$519,099. Non-cash working capital balances consisted of a decrease in subscriptions receivable of \$200,000, a decrease in accounts payable and other liabilities of \$2,104,820, and a decrease in prepaid expenses and other deposits of \$42,150.

Cash used in investing activities of \$145,580 were for the purchase of investments.

Cash provided by financing activities of \$3,423,888 were from proceeds from the private placement of \$3,851,501, proceeds from convertible debenture of \$708,243 proceeds from warrants exercised of \$101,544, and proceeds from stock options exercised of \$12,600, offset from the repayment of convertible debentures of \$1,250,000.

**Functional and Presentation Currency**

These unaudited condensed consolidated interim financial statements are presented in Canadian dollars, the functional and presentation currency of the Company and its subsidiaries. Foreign currency transactions are recorded at the exchange rate on the transaction date, with monetary items retranslated at period-end rates and related exchange differences recognized in profit or loss unless capitalized or hedge-related. Non-monetary items measured at cost use the historical transaction-date rate, while those measured at fair value use the exchange rate on the valuation date.

## Liquidity and Financial Position

Hemostemix is a pre-revenue development-stage company, having transitioned from no revenue to generating proceeds from the sale of 23 treatment-linked convertible debentures ("TCD"), which will be recognized as revenue upon treatment of the purchasers. We continue to incur negative operating cash flows, and significant additional investment is required for R&D, manufacturing, clinical testing, and regulatory submissions prior to full commercialization. Since inception, we have funded operations primarily through equity and debt, and our ability to continue as a going concern depends on securing further investment and grant funding.

Based on the foregoing, we will continue to pursue various funding options and opportunities; however, no assurances can be made that we will be successful in selling TCDs, or raising additional investment capital, to continue as a going concern. If we are not able to sell TCDs, or raise capital, we will have to reduce our cash requirements by eliminating or deferring spending on research, development and corporate activities.

For the nine months ended September 30, 2025, there was a net cash outflow from operating activities of \$2,827,303 compared to a net cash outflow of \$92,089 for the nine months ended September 30, 2024, an increase in outflow of \$2,735,214 compared to the prior comparative period.

## Proposed Transactions

The Company routinely evaluates various business development opportunities that could entail mergers, acquisitions, options, trades and / or divestitures. There can be no assurance that any such transactions will be concluded in the future.

## Commitments and contingencies

### Commitments

#### Clinical Trial Costs

In 2025, and continuing into 2026, these costs will primarily relate to analytical and trial planning and initiation activities.

### Contingencies

In the ordinary course of operating, the Company may from time to time be subject to various claims or possible claims. Management believes that there are no claims or possible claims that if resolved would either individually or collectively result in a material adverse impact on the Company's financial position, results of operations, or cash flows. These matters are inherently uncertain, and management's view of these matters may change in the future.

## Related Party Transactions

Related party transactions are conducted on the terms and conditions agreed to by the related parties. It is the Company's policy to conduct all transactions and settle all balances with related parties on market terms and conditions.

The following includes all compensation to a consultant and key management personnel:

The Company recorded share-based compensation expense for the three and nine months ended September 30, 2025 of \$477,011 and \$1,002,918, respectively (three and nine months ended September 30, 2024 - \$1,308 and \$3,924, respectively) to a consultant, current management and directors of the Company.

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For the three and nine months ended September 30, 2025, the Company incurred \$49,500 and \$148,500, respectively (three and nine months ended September 30, 2024 - \$49,500 and \$148,500, respectively) to Mr. Thomas Smeenck, CEO, for consulting services. As at September 30, 2025, Mr. Smeenck was owed \$128,657 (December 31, 2024 - \$292,999) and this amount was included in accounts payable and accrued liabilities.

For the three and nine months ended September 30, 2025, the Company incurred \$50,000 and \$150,000, respectively (three and nine months ended September 30, 2024 - \$100,000 and \$195,833, respectively) to a consultant of the Company. As at September 30, 2025, they were owed \$31,986 (December 31, 2024 - \$273,391) and this amount was included in accounts payable and accrued liabilities.

For the three and nine months ended September 30, 2025, the Company incurred \$9,470 and \$40,212, respectively (three and nine months ended September 30, 2024 - \$1,635 and \$12,115, respectively) to Marrelli Support Services Inc., a company which the CFO is related to. As at September 30, 2025, the Company owed \$nil (December 31, 2024 - \$nil) to Marrelli Support Services Inc. for accounting fees, and this amount was included in accounts payable and accrued liabilities.

See "Risk Factors".

Based on the Company working capital deficit of \$470,352 (December 31, 2024 – working capital surplus of \$1,780,598), it is anticipated the Company will have sufficient funds to fund its current liabilities of \$868,486.

## **CONSOLIDATION AND PRESENTATION**

### **Wholly-Owned Subsidiaries**

Hemostemix has five wholly-owned subsidiaries, Kwalata Trading Limited ("Kwalata"), Hemostemix Ltd. ("HEM Israel"), PreCerv Inc. ("PreCerv"), Hemostemix Quebec Inc. and Hemostemix PR Inc. All of the Company's patents and trademarks are registered in the name of Kwalata. HEM Israel was the original manufacturing company.

On June 14, 2022, the Company incorporated PreCerv to enable PreCerv to obtain from Hemostemix a global field of use license to NCP-01 and ACP-01 to treat conditions of the central and peripheral nervous system, including but not limited to the following:

1. Neuropathic pain syndromes.
2. Traumatic spinal cord injury, chronic brainstem injury, traumatic brain injury, peripheral nerve injury. Rare diseases including: syringomyelia, Charcot-Marie tooth disease, and Guillain-Barre syndrome, Amyotrophic lateral sclerosis (ALS), age-related macular degeneration (ARMD), corneal or eye diseases and retinopathies of any cause.
3. Cerebral stroke.

On August 29, 2023, the Company incorporated Hemostemix Quebec Inc. as a wholly-owned subsidiary. Hemostemix Quebec Inc.

On August 22, 2024, the Company incorporated Hemostemix PR Inc. as a wholly-owned subsidiary. Hemostemix PR Inc. to facilitate our planned manufacturing build out in Puerto Rico commencing with our Puerto Rican contract manufacturer.

### **Functional and Presentation Currency**

These unaudited condensed consolidated interim financial statements are presented in Canadian dollars, the functional and presentation currency of the Company and its subsidiaries. Foreign currency transactions are recorded at the transaction-date rate; monetary items are retranslated at period-end rates with exchange differences recognized in profit or loss unless capitalized or hedge-related. Non-monetary items use the transaction-date rate when measured at cost and the valuation-date rate when measured at fair value.

## **Risk Factors**

An investment in the Company's securities is highly speculative and involves significant risks, suitable only for investors able to assume such risks without requiring immediate liquidity. Prospective investors should review the risk factors that have affected, and are expected to affect, the Company and its financial position, as detailed in the "Risk Factors" section of the Annual MD&A for the year ended December 31, 2024, available on SEDAR+ at [www.sedarplus.com](http://www.sedarplus.com).

### **United States Tariffs and Retaliatory Tariffs**

U.S. tariffs and retaliatory measures may create economic and inflationary pressures that could indirectly affect the Company. Although no direct impacts are currently identified, the Company continues to assess potential indirect risks, which could be material if not mitigated.

## **Disclosure of Internal Controls**

Management maintains disclosure controls and internal controls over financial reporting to ensure material information is communicated for timely disclosure. As of September 30, 2025, the CEO and CFO evaluated these controls and concluded they are effective under MI 52-109, except as noted below.

Typical of small, growing companies, weaknesses exist, including limited segregation of duties and specialized disclosure expertise, partially mitigated through senior management oversight by an independent board of directors, an audit committee, adhoc committees of the independent directors when required, and external consultation when needed.

Management continues to improve these controls, though no specific changes were made during the period, the independent directors were consulted regularly and management remains committed to ongoing enhancements.

## **Additional Disclosure For Venture Issuers Without Significant Revenues**

The Company's main focus is to develop, blood-derived cell therapies primarily for the treatment of severe medical conditions not adequately addressed by current treatments.

To achieve commercialization of its products, the Company must obtain regulatory approval in each respective jurisdiction it intends to market its products. Management of Hemostemix believes it may be possible to achieve this in certain jurisdictions on the basis of positive Phase 2 clinical trial data, but in most jurisdictions additional clinical data from larger clinical trials will be required to obtain such approval.

Hemostemix is selling TCDs to investors who potentially want to be treated in a jurisdiction that allows autologous stem cell therapy law or exemption. To date 15 TCDs have been issued. Future revenues may be generated from the potential conversion of the TCD to a medically approved ACP-01 therapy treatment.

Additional information concerning the Company is available on Sedar+ at [www.sedarplus.com](http://www.sedarplus.com).