DIAGNOS Inc.

Interim Management Discussion & Analysis – Quarterly Highlights

Three-month and Nine-month Periods ended December 31, 2025

Contents

PART 1
GENERAL PROVISIONS

Description and objective

This Interim Management Discussion and Analysis – Quarterly Highlights ("MD&A") provides a narrative explanation, through the eyes of management, of how Diagnos Inc. and its subsidiaries ("DIAGNOS", the "Corporation" or "we") performed during the three-month and nine-month periods ended December 31, 2025, and of the Corporation's financial condition as at December 31, 2025 as well as future prospects.

This MD&A should be read in conjunction with the Corporation's December 31, 2025 interim condensed consolidated financial statements and accompanying notes ("Financial Statements"). This MD&A complements and supplements the Financial Statements but does not form part of the Financial Statements.

The objective of this MD&A is to improve the Corporation's overall financial disclosure by giving a balanced discussion of the Corporation's financial performance and financial condition including, without limitation, such considerations as liquidity and capital resources.

DIAGNOS has elected to provide quarterly highlights disclosure to meet the requirement to provide interim MD&A. Since the Corporation is not reporting significant revenue from operations, the focus is put on discussion and analysis of financial performance on expenditures and progress towards achieving business objectives and milestones.

The currency used is the Canadian dollar unless otherwise stated.

Forward-looking statement

This MD&A contains certain forward-looking statements with respect to the Corporation. By their nature, these forward-looking statements necessarily imply risks and uncertainties that could cause actual results to differ materially from those contemplated by these forward-looking statements. These risks and uncertainties include significant risks the Corporation is exposed to such as the going concern assumption, market acceptance, competitive developments, the regulatory landscape and other factors.

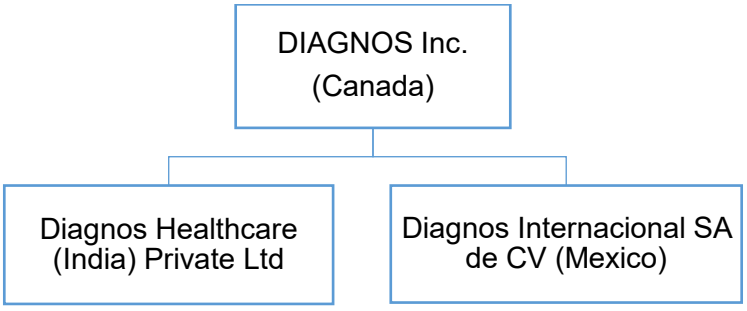
Except for ongoing obligations under securities laws to disclose all material information to investors, we disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Date of information

This MD&A is dated February 25, 2026 and was approved by the Board of Directors of the Corporation on the same date.

Description of the Corporation

DIAGNOS group of entities is organized as follows:



Product offering

DIAGNOS manufactures CARA (Computer Assisted Retinal Analysis), a software platform which assists health specialists in the detection of certain retina of the eye pathologies. CARA is a web-based application based on Artificial Intelligence (AI) techniques that integrates fundus cameras with an image processing engine over a secure internet connection. CARA has been developed by, and is proprietary to, DIAGNOS.

The CARA technology comprises detection algorithms based on recent artificial intelligence (AI) techniques. CARA algorithms allow an eye care specialist to better visualize both normal retinal landmarks as well as pathological changes. The current version of CARA can detect early signs of age-related macular degeneration (AMD) as well as diabetic retinopathy. These conditions often develop unnoticed by patients and, in some cases, might not be detected during routine eye exams. As per a February 2025 market research article[1], the global AI-powered retina image analysis market size is projected to expand significantly, reaching approximately US $9.4 billion by 2033, up from US $2.65 billion in 2023.

Value proposition

The early detection of lesions increases the success of therapeutic approach, and AI is beneficial in assisting in risk stratification and grading of the disease. It is in our opinion that computerized imaging analysis is among the highest value applications for early detection, as this use case has inherent strengths compared to conventional time-consuming imaging and diagnosis processes.

One key benefit of CARA is the ability to provide, in a matter of minutes and at an affordable unit cost, valuable insights to the eye specialist in his/her diagnostic. Using AI, CARA helps increase the number and the quality of images analysed which translates into operating costs savings for the care providers, improved access to personal care, and ultimately improving quality of life for the patient.

Additional information relating to DIAGNOS is available on the Corporations website at www.diagnos.com and on SEDAR+ at www.sedarplus.com.

[1] https://media.market.us/ai-powered-retina-image-analysis-market-news/

Trends and risks

This section provides a discussion on important trends and risk that have affected the operations and the preparation of the financial statements, and that are reasonably likely to affect them in the future.

The Corporation continues to be exposed to these main operational risks:

a) Product acceptance: The CARA technology comprises detection algorithms based on recent artificial intelligence techniques for which adoption could be affected by performance expectancy, user responsibility and the regulatory landscape.

b) Competition: While the AI-based screening for eye-related pathologies market is still in its infancy, we have identified two main competitors; Digital Diagnostics and Eyenuk. Both are privately owned companies and have obtained FDA clearance for commercialization in the USA. Eyenuk is also licensed by Health Canada to market its products in Canada. We believe that our competitive pricing structure as well as the ability of CARA to integrate major brands of fundus cameras will be significant differentiators once CARA has been cleared for commercialization in these countries.

c) Going concern: The December 31, 2025 condensed consolidated financial statements have been prepared on a going concern basis, which assumes that the Corporation will continue to operate for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.

As shown in the below table, for the most recent four quarters, the Corporation continues to report losses and negative net cash flows from operations.

	2026			2025
	Q3	*Q2*	*Q1*	*Q4*
	December 31, 2025	September 30, 2025	June 30, 2025	March 31, 2025
	$	$	$	
Net loss	(1,161,114)	(1,096,342)	(1,113,282)	(1,337,223)
Net cash flows used in operations	(840,828)	(828,102)	(903,529)	(1,240,810)

Until it is able to generate positive cash flows from its operating activities to cover operating and debt service expenses and generate operating profit, going concern remains the most significant risk in preparing quarterly and annual financial statements.

The following section discusses ways the Corporation uses or intends to use in order to cope with these main risks.

Milestones & outlook

The Corporation's main objective is to generate positive cash flows from operations by increasing revenue from CARA, while closely monitoring expenses. CARA is by nature a medical device which, in most markets, requires proper local regulatory commercialization authorization. Meeting regulatory compliance for medical devices ensures public safety by requiring manufacturers to demonstrate the safety, efficacy, and quality of their products during commercialization. Therefore, achieving the below regulatory objectives will, in our opinion, help cope with the uncertainty related to the adoption of a new technology, thus generating interest in CARA.

Regulatory compliance

Management focus is set towards obtaining regulatory commercialization clearance from Health Canada (HC), the Saudi Arabia Food & Drug Authority (SFDA) and the United States Food and Drug Administration (US-FDA).

Canada
In September of 2025, the Corporation met with representatives from HC to clarify the filing requirements for AI-based medical devices such as CARA. The Corporation is currently in the last stage of preparation (testing & validation) and expects to file its application before the end of March of this year. Mainly due to factors out of the Corporation's control, we are unable to reasonably estimate a final decision timeframe from HC.

Saudi Arabia
In January of this year, DIAGNOS formally submitted CARA for marketing approval with the SFDA. Since then, the Corporation is addressing additional queries received from the SFDA. Mainly due to factors out of the Corporation's control, we are unable to reasonably estimate a final decision timeframe from the SFDA.

USA
The Corporation is in the planning stage of the application process with the US-FDA. The Corporation has met with representatives from the US-FDA to obtain some clarification and insights on how to proceed in the most efficient manner. The steps to prepare the submission have been identified and the Corporation has started working on documenting the application. At this point in the process, the Corporation is unable to reasonably estimate a submission filing date.

Commercialization

Although most of our employees' time is currently allocated to regulatory approvals assisted by two specialized consultants, the Corporation, in parallel, is preparing to deliver its services to EssilorLuxottica (refer to announcement dated December 12, 2023), IRIS The Visual Group (refer to announcement dated June 7, 2022) and Labtician Ophthalmics (refer to announcement dated July 27, 2022).

To increase its client base, the Corporation is also working on a commercialization plan comprised of social media marketing, public relations, participation to conferences and trade shows as well as signing distribution agreements with resellers and agents. The Corporation intends to first target optometrist clinics and chains, where we estimate a global base of 1.1M optometrists, representing an $11B addressable market, and eventually move to hospitals and large care centres.

PART 2
CONTENT OF MD&A

Quarterly Highlights

This section provides a short discussion of all material information about the Corporation's operations, liquidity and capital resources.

Operations

	Three-month period ended December 31,			
	2025	**2024**	**Variance**	
	$		$	%
Revenue	15,206	26,042	(10,836)	(42%)
Cost of services	(14,290)	(20,728)	6,438	(31%)
Gross margin	916	5,314	(4,398)	(83%)
Research & development	402,881	279,944	122,937	44%
Selling and administrative	668,915	794,023	(125,108)	(16%)
Other income	(3,658)	(6,452)	2,794	(43%)
Interest expense	93,892	151,037	(57,145)	(38%)
	1,162,030	1,218,552	(56,522)	(5%)
Net Loss	(1,161,114)	(1,213,238)	52,124	(4%)

	Nine-month period ended December 31,			
	2025	**2024**	**Variance**	
	$		$	%
Revenue	49,767	85,405	(35,638)	(42%)
Cost of services	(41,686)	(39,964)	(1,722)	4%
Gross margin	8,081	45,441	(37,360)	(82%)
Research & development	1,142,897	698,710	444,187	64%
Selling and administrative	1,986,626	1,873,180	113,446	6%
Other income	(74,788)	(22,194)	(52,594)	237%
Interest expense	324,084	444,971	(120,887)	(27%)
	3,378,819	2,994,667	384,152	13%
Net Loss	(3,370,738)	(2,949,226)	(421,512)	14%

Detailed analysis of the significant variations:

Revenue

The decrease of $10,836 (42%), for the three-month period ended December 31, 2025, is mainly attributable to the suspension of a contract with one client which is experiencing a downturn in its activities. The decrease of $35,638 (42%), for the nine-month period ended December 31, 2025, is due to a lower volume of images analyzed ($20,214) and the suspension of a contract with the same client ($15,424).

Gross margin

The decreases of $4,398 (83%), for the three-month period ended December 31, 2025, and of $37,360 (82%), for the nine-month period ended December 31, 2025, are mainly attributable to the decreases in revenue for the same periods.

Research & development

The increases of $122,937 (44%), for the three-month period ended December 31, 2025, and of $444,187 (64%), for the nine-month period ended December 31, 2025, are mainly attributable to increases in (i) consulting fees paid to a technology university for the improvement of detection algorithms, and (ii) product development employee headcount, for the improvement of detection algorithms and the preparation of product regulatory applications.

Selling and administrative

The decrease of $125,108 (16%), for the three-month period ended December 31, 2025, is mainly attributable to the decrease of $156,850 in incentives paid to one officer. The increase of $113,446 (6%), for the nine-month period ended December 31, 2025, is mainly attributable to (i) an increase of $174,941 in consulting fees mainly related to company awareness, (ii) an increase of $112,283 in stock-based compensation attributable to an increase in grants for the year ended March 31, 2025 compared to the year ended March 31, 2024, and (iii) a decrease of $186,850 in incentives paid to two officers.

Other income

The increase of $52,594 (237%), for the nine-month period ended December 31, 2025, is mainly attributable to (i) a gain of $23,817 resulting from an extension of unsecured convertible debentures in May of 2025, and (ii) an increase of $26,998 in interest earned on guaranteed investment certificates from the increase in cash proceeds from the financings closed during the year ended March 31, 2025 compared to the year ended March 31, 2024.

Interest expense

The decreases of $57,145 (38%), for the three-month period ended December 31, 2025, and of $120,887 (27%), for the nine-month period ended December 31, 2025, are mainly attributable to the overall decrease in outstanding convertible debentures.

Liquidity and capital resources

Liquidities are composed of cash and short-term investments. During the nine-month period ended December 31, 2025, liquidities varied as follows:

	$
Liquidities at beginning of period	3,235,378
Net cash receipts from financing activities	3,694,216
Net cash flows used in operating activities	(2,572,459)
Repayment of debt	(684,293)
Payment of interest	(184,626)
Lease payments	(107,266)
Others	18,970
Liquidities at end of period	3,399,920

We anticipate the monthly level of net disbursements to remain at approximatively $300,000 for the foreseeable future. As a result, the Corporation will most likely need to rely on additional funding before the end of the current calendar year to continue operations. The timing is mainly dependant on (i) the number of debentures that will be extended or converted into common shares of the Corporation before, or on, expiry and (ii) the number of stock warrants and stock options that will be exercised.

Form of additional funding
The Corporation will most likely continue relying on financings in the form of equity (common shares & stock warrants), convertible debt or loans.

Moving forward

DIAGNOS remains focused on advancing CARA's regulatory approval pathway, expanding commercialization opportunities, and strengthening its financial position. These initiatives are critical to achieve and maintain sustained growth, reducing going-concern risk, and positioning the Corporation for long-term success in the growing market for AI-powered retinal analysis solutions.

DIAGNOS Inc.

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