Interim Consolidated Financial Statements (unaudited)
Three and Six Months Ended June 30, 2009

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited interim consolidated financial statements of Alegro Health Corp. (the "Company") have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Alegro Health Corp.
Interim Consolidated Balance Sheets
(unaudited)
(in thousands of dollars)

	June 30, 2009	December 31, 2008
Assets		
Current Assets		
Cash	**$ 900**	$ 4,002
Accounts receivable	**6,770**	2,102
Accrued receivables	**1,702**	873
Prepaid expenses	**188**	47
	9,560	7,024
Property and equipment (note 4)	**2,225**	331
Goodwill (note 4)	**18,040**	47
Intangible asset (note 8)	**1,147**	1,147
Future income taxes	**55**	55
Deferred acquisition costs (note 4)	–	370
	$ 31,027	$ 8,974
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	**$ 5,535**	$ 1,822
Income taxes payable	**243**	66
Future income taxes	**17**	17
Current portion of long-term loan (note 9)	**2,200**	–
	7,995	1,905
Long-term loan (note 9)	**8,107**	–
Non-Controlling Interest (note 10)	–	613
Shareholders' Equity		
Share capital (note 11)	**8,682**	3,928
Warrants (note 11)	**2,957**	–
Contributed surplus (note 11)	**1,598**	1,401
Deferred stock-based compensation	**(271)**	(133)
Retained earnings	**1,959**	1,260
	14,925	6,456
	$ 31,027	$ 8,974

The accompanying notes are an integral part of these interim consolidated financial statements.

Alegro Health Corp.
Interim Consolidated Statements of Operations, Comprehensive Income and Retained Earnings
(unaudited)
(in thousands of dollars, except per share amounts)

	Three Months Ended June 30		Six Months Ended June 30	
	2009	2008	**2009**	2008
Revenue	**$ 7,027**	$ 3,836	**$ 11,296**	$ 7,565
Expenses				
Direct costs	**4,704**	1,933	**6,969**	3,964
General and administrative expense	**1,463**	1,433	**2,880**	2,760
Amortization	**61**	40	**108**	91
	6,228	3,406	**9,957**	6,815
Income before interest expense	**799**	430	**1,339**	750
Interest expense (note 9)	**60**	–	**60**	–
Income before income taxes	**739**	430	**1,279**	750
Income taxes	**221**	171	**422**	287
Net income and comprehensive income for the period	**518**	259	**857**	463
Retained earnings, beginning of period	**1,599**	512	**1,260**	308
Charge on acquisition of non-controlling interest (note 10)	**(158)**	–	**(158)**	–
Retained earnings, end of period	**$ 1,959**	$ 771	**$ 1,959**	$ 771
Basic earnings per common share (note 11)	**$ 0.011**	$ 0.007	**$ 0.021**	$ 0.013
Diluted earnings per common share	**$ 0.011**	$ 0.007	**$ 0.021**	$ 0.012

Weighted Average Number of Common Shares Outstanding (in thousands)				
Basic	**45,225**	36,525	**40,927**	36,525
Diluted	**45,761**	37,442	**41,266**	37,442

The accompanying notes are an integral part of these interim consolidated financial statements.

Alegro Health Corp.
Interim Consolidated Statements of Cash Flows
(unaudited)
(in thousands of dollars)

	Three Months Ended June 30		Six Months Ended June 30	
	2009	2008	**2009**	2008
Cash provided by (used in)				
Operating activities				
Net income for the period	**$ 518**	$ 259	**$ 857**	$ 463
Items not affecting cash:				
Amortization of capital assets and financing costs	**72**	40	**119**	91
Stock-based compensation	**34**	–	**59**	14
Changes in non-cash working capital items (note 7)	**176**	(467)	**(427)**	(1,339)
Cash provided by (used in) operating activities	**800**	(168)	**608**	(771)
Investing activities				
Acquisition of business (note 4)	**(19,979)**	–	**(20,179)**	–
Acquisition of non-controlling interest (note 10)	**(750)**	–	**(750)**	–
Purchase of property and equipment	**(185)**	–	**(216)**	–
Proceeds from sale of property and equipment	**–**	–	**–**	15
Cash provided by (used in) investing activities	**(20,914)**	–	**(21,145)**	15
Cash flow from financing activities				
Proceeds of long-term debt net of financing costs (note 9)	**10,745**	–	**10,745**	–
Issuance of common shares and warrants	**6,711**	–	**6,711**	–
Decrease in non-controlling interest (note 10)	**(8)**	(17)	**(21)**	(26)
Cash provided by (used in) financing activities	**17,448**	(17)	**17,435**	(26)
Decrease in cash	**(2,666)**	(185)	**(3,102)**	(782)
Cash, beginning of period	**3,566**	3,432	**4,002**	4,029
Cash, end of period	**$ 900**	$ 3,247	**$ 900**	$ 3,247

The accompanying notes are an integral part of these interim consolidated financial statements.

1. Business of the Company

Alegro Health Corp. ("the Company") is incorporated under the Canada Business Corporations Act. The Company's principal business is providing healthcare services to its customers. The results of operations presented in these consolidated financial statements include one month of operations for the Active Health Management business acquired on May 29, 2009 (see note 4).

2. Basis of Presentation

Basis of presentation

These unaudited interim consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles for interim financial statements and accordingly do not include all disclosures required for annual financial statements. With the exception of the new accounting policies set out in note 3 below, these interim consolidated financial statements follow the same significant accounting policies as the Company's audited annual consolidated financial statements for the year ended December 31, 2008 and accordingly, should be read in conjunction with those annual financial statements and the notes thereto. All amounts disclosed are in Canadian dollars, unless otherwise stated.

The accompanying unaudited interim consolidated financial statements include all adjustments that are, in the opinion of management, necessary for fair presentation. The results of operations and cash flows for the current period as presented are not necessarily indicative of the results to be expected for the full year.

3. Significant Accounting Policies

New Accounting Policies

The Company adopted the following new accounting policies effective January 1, 2009.

Business Combinations

In January 2009, the Canadian Institute of Chartered Accountants ("CICA") issued Handbook Section 1582, "Business Combinations", which replaces Section 1581 and establishes new standards for accounting for business combinations. This standard is effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Should the Company engage in a future business combination, it would consider early adoption to coincide with the adoption of IFRS.

Non-controlling Interests

Also in January 2009, the CICA issued Handbook Section 1602, "Non-controlling Interests", to provide guidance on accounting for non-controlling interests subsequent to a business combination. This standard is effective for fiscal years beginning on or after January 2011.

3. Significant Accounting Policies - continued

Credit Risk and the Fair Value of Financial Assets and Financial Liabilities

In January 2009, the CICA Emerging Issues Committee ("EIC") issued Abstract 173, "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities". The EIC abstract requires the Company to consider its own credit risk and the credit risk of the counterparty when determining the fair value of financial assets and financial liabilities. The application of the new EIC abstract during the current fiscal year did not have any material impact on the Company's interim consolidated financial statements.

Goodwill and Intangible Assets

Section 3064, "Goodwill and Intangible Assets", which replaces Section 3062, "Goodwill and Other Intangible Assets", and Section 3450, "Research and Development Costs", establishes revised standards for recognition, measurement, presentation and disclosure of goodwill and intangible assets. Concurrent with the introduction of this standard, the CICA withdrew EIC 27, "Revenues and expenses during the pre-operating period". As a result of the withdrawal of EIC 27, the Company will no longer be able to defer costs and revenues incurred prior to commercial production for new operations. The new standard is effective for the Company on January 1, 2009. The application of this standard did not have a material impact on the Company's interim consolidated financial statements.

Future Accounting Changes

International Financial Reporting Standards

The CICA plans to transition Canadian GAAP for publicly accountable profit oriented enterprises to International Financial Reporting Standards ("IFRS"). The effective changeover date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The impact of the transition to IFRS on the Company's consolidated financial statements has not yet been determined.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain 2008 amounts have been reclassified to conform to the current period's presentation.

4. Acquisition

On May 29, 2009, the Company acquired essentially all of the non-cash operating assets (net of assumed liabilities) of The Brenda Rusnak Clinics Inc. and ACTIVE Health Management Inc., privately held companies that specialize in the provision of physiotherapy and other rehabilitation services ("Active Health Management").

The transaction has been accounted for using the purchase method of accounting. This method requires that the assets and liabilities purchased be recorded at their fair value as at their date of acquisition. This allocation of the purchase price to the net assets acquired is based on preliminary estimates of fair value and may differ from the final allocation.

Purchased Price		
Cash consideration	$	19,664
Issuance of 3,333,333 common shares of the Company		1,000
Transaction and integration costs		871
	$	21,535
Fair Value of Net Assets Acquired		
Current assets	$	5,306
Property and equipment (including software)		1,765
Goodwill		17,993
		25,064
Current liabilities		(3,529)
	$	21,535

The transaction costs include amounts totalling $370 which were incurred prior to December 31, 2008 and which were presented on the balance sheet as deferred acquisition costs at December 31, 2008.

5. Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the continuation and expansion of its operations. The Board of Directors does not establish quantitative return on capital criteria, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital to include share capital, warrants and the stock option component of its shareholders' equity as well as its long-term loan and operating facility (see note 9). In order to maintain or adjust its capital structure, the Company may seek additional financing through the issuance of new equity securities, the exercise of outstanding stock options or the issuance of debt instruments such as operating or term loans.

Management reviews its capital management requirements on an ongoing basis and believes this approach, given the relative size of the Company, is reasonable. There were no changes to the Company's approach to capital management during the six months ended June 30, 2009.

6. Related Party Transactions and Balances

In the normal course of operations, the Company has entered into certain related party transactions which have been measured at the respective exchange amounts, being the consideration established and agreed by the related parties.

A summary of the transactions with related parties for the three and six months ended of June 30 are as follows:

	Three Months Ended June 30		Six Months Ended June 30	
	2009	2008	2009	2008
General and administrative expenses:				
Brenras	$ 90	$ 85	$ 180	$ 165
Disability Management	$ –	$ –	$ –	$ 30
GHIS	$ 50	$ 45	$ 95	$ 90
Interest incurred on the GHIS Capital debenture	$ 9	$ 7	$ 22	$ 26

Brenras Holdings Inc. ("Brenras") and The Disability Management Group Inc. ("Disability Management") are wholly-owned by a significant shareholder and director of the Company. Brenras and Disability Management provided management services to the Company.

Global Healthcare Investments & Solutions, Inc. ("GHIS") and entities controlled by the shareholders of GHIS own approximately 53% of the issued and outstanding common shares of the Company as at June 30, 2009. GHIS provided strategic and business development consulting services to the Company. The existing consulting agreement with GHIS was amended in May, 2009. Under the terms of the amended consulting agreement which has an initial term of three years renewable annually thereafter, the monthly consulting fee was increased from $15 to $20. In addition, a performance fee component has been added whereby GHIS will be entitled to an annual fee of 1% of the Company's market capitalization (computed on a trailing twelve month weighted average basis) provided the market capitalization exceeds a minimum threshold amount of $20,000. There was no performance fee payable in the current period.

GHIS Capital Inc. ("GHIS Capital") is related to GHIS by common control. GHIS was the holder of convertible debenture issued by the Company in 2007. Concurrent with the closing of the acquisition of the acquired businesses referred to in note 4, the Company redeemed the convertible debenture at its face amount of $750 and also agreed to issue to GHIS Capital a warrant entitling it to acquire 25% of the wholly-owned subsidiary, Alegro Health Partners Inc. ("AHP") upon the payment of $33. Other aspects of the contractual arrangements between the Company, GHIS and GHIS Capital remained essentially unchanged including the agreement that AHP will be the entity that would pursue and conduct all new business opportunities in the healthcare sector distinct from the Company's current rehabilitation, medical assessment and related activities.

7. Supplementary Disclosure of Cash Flow Information

(a) The net changes in non-cash working capital are comprised of the following:

	Three Months Ended June 30		Six Months Ended June 30	
	2009	2008	2009	2008
Accounts receivable	106	434	49	(119)
Accrued receivables	98	(110)	(256)	(284)
Prepaid expenses	(44)	51	(82)	(51)
Accounts payable and accrued liabilities	(205)	(266)	(314)	(425)
Income taxes payable	221	(576)	176	(460)
	176	(467)	(427)	(1,339)

Investing activities relating to the acquisition have been reduced by $500 representing accruals for transaction costs that have not been paid as at June 30, 2009. Proceeds of long-term debt have been increased by $450 to reflect accruals for transaction costs not yet paid as at June 30, 2009. These amounts have also been eliminated from the net change in accounts payable and accrued liabilities in the above schedule.

(b) Other supplementary cash flow information:

	Three Months Ended June 30		Six Months Ended June 30	
	2009	2008	2009	2008
Income taxes paid	$ –	$ 731	$ 245	$ 747
Interest paid	$ 34	$ 13	$ 47	$ 13

8. Intangible Asset

The intangible asset represents the private hospital licence held by the Company's wholly-owned subsidiary, Don Mills Surgical Unit Limited. This licence has an indefinite useful life.

9. Long-Term Loan and Operating Facility

Long-term loan

On May 29, 2009, the Company obtained a long-term loan of $11,000 from a major Canadian bank in conjunction with the acquisition of the Active Health Management business. The loan is repayable over a five-year period, with quarterly principal payments of $550. Interest on the loan is payable monthly. All of the assets of the Company have been pledged as collateral for this loan. The rate of interest is fixed at 5.65% over the term of the loan.

9. Long-Term Loan and Operating Facility - Continued

The long-term loan is presented net of loan arrangement costs. These costs are amortized over the term of the loan through accretion resulting in increasing values recorded on the consolidated balance sheets over time. At June 30, 2009, the net long-term loan is $8,107 (face value is $8,800 net of $693 of unamortized loan arrangement costs).

Interest expense on the long-term loan comprises the following:

	Three and Six Months Ended June 30, 2009
Interest expense on long-term loan	$ 49
Accretion and amortization of loan arrangement costs	11
	$60

The Company is in compliance with the financial covenants of the long-term loan as at June 30, 2009.

Operating facility

The Company maintains a revolving operating credit facility to a maximum of $4,000 (December 31, 2008 - $1,000), including letters of guarantee to a maximum of $250. Interest on the borrowing options available is at prime plus 0.5% and 2% per annum, respectively, with interest paid monthly.

As at June 30, 2009 and December 31, 2008, the Company had not drawn on these credit facilities.

10. Non-Controlling Interest

Non-controlling interest represented a $750 convertible debenture issued to GHIS Capital by AHP bearing interest at 7% per annum and due December 31, 2011. The debenture carried the right to be converted by GHIS Capital within three months before the maturity date and by AHP at the maturity date into such number of common shares of AHP, a wholly owned subsidiary, as would give GHIS Capital 25% of the issued and outstanding shares of AHP. As a result, the debenture was accounted for as equity by AHP which resulted in a non-controlling interest upon consolidation. Interest incurred on the convertible debenture has been treated as a distribution of equity by AHP which resulted in a reduction of the non-controlling interest upon consolidation of AHP.

On May 29, 2009, the Company entered into various agreements whereby the Company and GHIS Capital accepted repayment of the $750 convertible debentures issued to GHIS Capital, resulting in the elimination of the non-controlling interest and a charge to retained earnings of $158 being the excess of the amount paid over the carrying value of the non-controlling interest.

11. Share Capital and Earnings per Share

Common shares

Authorized share capital consists of an unlimited number of common shares. The number of common shares issued and outstanding is as follows:

	Number of Shares	Amount
Issued and outstanding, December 31, 2008	36,581,762	$ 3,928
Issued pursuant to private placement with GHIS (net of transaction costs of $30	20,500,000	3,754
Issued as part of the acquisition of Active Health Management	3,333,333	1,000
Issued and outstanding, June 30, 2009	60,415,095	$ 8,682

Issuance of Common Shares and Warrants

On May 29, 2009, the Company issued a private placement of 20,500,000 common shares and an equal number of warrants to GHIS for a total consideration of $6,765. Each warrant entitles the holder to acquire one common share for a period of 5 years from this date, at a price of $0.33 per share. The warrants have been fair valued at $2,981 (less transaction costs of $24) using the Black-Scholes pricing model with the following assumptions:

Dividend yield	Nil
Expected volatility	115%
Risk-free interest rate	2.5%
Expected life in years	5
Fair value at grant date	$0.26

Issuance of Stock Options

On May 14, 2009, pursuant to the Company's 2008 Stock Option Plan, 500,000 stock options were issued to a newly appointed officer. These options were issued at an exercise price of $0.39 and expire on May 14, 2014. In addition, on May 7, 2009, 100,000 stock options were issued to a senior employee. These options were issued at an exercise price of $0.40 and expire on May 7, 2014. On June 25, 2009, pursuant to Company policy of awarding 25,000 stock options to continuing members and 100,000 stock options to new members of the Board of Directors, the Company issued a total of 225,000 stock options at an exercise price of $0.31. These options expire on June 25, 2014.

The weighted average fair value of options granted during the period was $197 resulting in an increase in contributed surplus. For the three and six months ended June 30, 2009, $11 of the amount has been recognized as employee stock-based compensation expense while the remaining balance of $186 has been reflected in equity as deferred stock-based compensation.

In addition, $23 and $48 of previously deferred stock-based compensation was recognized as compensation expense during the three and six months ended June 30, 2009, respectively.

11. Share Capital and Earnings per Share - continued

The value assigned to options was calculated using the Black-Scholes option-pricing model with the following assumptions:

Dividend yield	Nil
Expected volatility	119%
Risk-free interest rate	2.5%
Expected option term	5 years

The outstanding and exercisable stock options are as follows:

	Number of Options	Weighted-Average Exercise Price
Outstanding as at December 31, 2007	2,050,000	$ 0.29
Granted during 2008	1,400,000	$ 0.28
Cancelled during 2008	(400,000)	$ 0.34
Outstanding as at December 31, 2008	3,050,000	$ 0.28
Granted during the period ended June 30, 2009	825,000	$ 0.37
Cancelled during the period	(100,000)	$ 0.34
Outstanding as at June 30, 2009	3,775,000	$ 0.30

Earnings per share

Earnings per share for the three and six month periods ended June 30, 2009 and 2008 have been calculated on the basis of net income for each period divided by the weighted average number of common shares outstanding during each period. Diluted earnings per share, for both periods presented, were calculated based on the weighted average number of common shares outstanding and stock options outstanding during the period, that were issued at prices lower than the market price of the Company's common shares on June 30, 2009 using the treasury stock method.

12. Financial Instruments

The Company's financial instruments consist of cash, accounts receivable, accrued receivables, accounts payable, accrued liabilities and long-term loan.

Fair value

Due to their short-term maturities, the fair value of financial instruments other than the long-term loan approximates their carrying value. The fair value of the long-term loan also approximates its face value of $11,000.

12. Financial Instruments - continued

Credit risk

The Company is exposed to credit risk to the extent that its clients become unable to meet their payment obligations. The Company's exposure to concentrations of credit risk is limited. Accounts receivable and accrued receivables are from the Workplace Safety and Insurance Board, government agencies, employers and insurance companies.

The Company's cash is held through a large Canadian bank. The Company is not exposed to significant credit risk arising from its financial instruments and it has had minimal bad debt expense.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity by assuring that there is sufficient capital to meet short and long-term business requirements after taking into account cash flows from operations and the Company's holding of cash. The Company also strives to maintain sufficient financial liquidity at all times in order to participate in investment opportunities as they arise, as well as to withstand sudden adverse changes in economic circumstances.

Management forecasts cash flows for its current and subsequent fiscal years to protect future financial requirements. At June 30, 2009, the Company had $900 (December 31, 2008 - $4,002) of cash and a current portion of its long-term loan of $2,200 (December 31, 2008 – nil) with a long-term portion of $8,800 (December 31, 2008 – nil). In accordance with the CICA Handbook Section 3855, the long-term debt is presented net of loan arrangement costs of $693, which are being amortized over the term of the loan. The Company anticipates that it will generate sufficient cash flow from operations over the next year to meet the repayment of the current portion of its long-term loan.

Interest Rate Risk

Interest rate risk is the risk borne by an interest-bearing asset or liability as a result of fluctuations in interest rates. The Company has a revolving operating facility of $4,000 (December 21, 2008 - $1,000) which has a variable interest rate based on prime. As at June 30, 2009 and December 31, 2008, the Company had not drawn on the facility. The Company also has a five-year loan of $11,000 which carries a fixed interest rate of 5.65%.

Currency Risk

Virtually all of the Company's transactions are denominated in Canadian dollars. At June 30, 2009, the Company held no financial instruments that were denominated in other than Canadian currency.

13. Segmented Reporting

The operations of the Company and its consolidated subsidiaries are comprised of two reportable operating segments referred to as (i) Rehabilitation and Disability Management and (ii) DMSU. The Rehabilitation and Disability segment includes the businesses of Work Able Centres Inc., Direct Health Solutions Inc. and Active Health Services Inc., which provide medical assessment and rehabilitation services to the insurance industry and employers and physiotherapy services to long-term care and retirement homes. Don Mills Surgical Unit Limited (DMSU) is an accredited, Toronto-based hospital specializing in a mix of ambulatory and surgical services. The general and administrative costs included in the "Corporate" column have not been allocated to the two segments and generally represent the costs associated with a publicly listed entity.

Three months ended June 30, 2009

	Rehabilitation and Disability Management	DMSU	Corporate	Total
Revenue	$ 6,696	$ 331	$ -	$ 7,027
Income (loss) before income taxes	$ 1,611	$ 47	$ (859)	$ 799
Total assets	$ 29,286	$ 1,473	$ 268	$ 31,027

Three months ended June 30, 2008

	Rehabilitation and Disability Management	DMSU	Corporate	Total
Revenue	$ 3,489	$ 339	$ 8	$ 3,836
Income (loss) before income taxes	$ 1,190	(25)	(735)	$ 430
Total assets	$ 5,612	$ 1,643	$ 983	$ 8,238

Six months ended June 30, 2009

	Rehabilitation and Disability Management	DMSU	Corporate	Total
Revenue	$ 10,632	$ 664	$ -	$ 11,296
Income (loss) before income taxes	$ 2,978	$ 94	(1,733)	$ 1,339
Total assets	$ 29,286	$ 1,473	$ 268	$ 31,027

Six months ended June 30, 2008

	Rehabilitation and Disability Management	DMSU	Corporate	Total
Revenue	$ 6,846	$ 696	$ 23	$ 7,565
Income (loss) before income taxes	$ 2,212	(58)	(1,404)	$ 750
Total assets	$ 5,612	$ 1,643	$ 983	$ 8,238

14. Subsequent Events

At a special meeting of shareholders held on August 25, 2009, the shareholders of the Company approved changing the name of the Company to Centric Health Corporation.

The Toronto Stock Exchange ("TSX") has conditionally approved the listing of the common shares of the Company. Listing is subject to the Company fulfilling all the requirements of the TSX. The Company expects that its common shares will commence trading on the TSX in September 2009. The shares currently trade on the TSX Venture Exchange ("TSX-V").

Management's Discussion and Analysis

For the Three and Six Months Ended June 30, 2009

As at August 25, 2009

Management's Discussion and Analysis

For the three and six months ended June 30, 2009

The following is a discussion of the consolidated financial position and the results of operations of Alegro Health Corp. (the "Company") for the three and six months ended June 30, 2009 and of certain factors that the Company believes may affect its prospective financial condition, cash flows and results of operation. The MD&A should be read in conjunction with the unaudited interim consolidated financial statements and notes thereon and the Company's audited financial statements for the year ended December 31, 2008.

The interim consolidated financial statements have been prepared in accordance with Canadian Generally Accepted Accounting Principles ("GAAP") for financial statements and all amounts are presented in Canadian dollars. The following MD&A is presented as of August 25, 2009. Further information is available is available on www.sedar.com.

Caution regarding forward looking statements

Certain statements in this MD&A constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking statements include, but are not limited to, statements made under the headings "*Business Outlook and Subsequent Events*" and "*Risks and Uncertainties*" and other statements concerning the Company's 2009 objectives, strategies to achieve those objectives, as well as statements with respect to management's beliefs, plans, estimates, and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking statements generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "should", "plans" or "continue", or similar expressions suggesting future outcomes or events. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those contemplated by such statements. Factors that could cause such differences include the highly competitive nature of the Company's industry, government regulation and funding and other such risk factors described from time to time in the reports and disclosure documents filed by the Company with Canadian securities regulatory agencies and commissions. This list is not exhaustive of the factors that may impact the Company's forward-looking statements. These and other factors should be considered carefully and readers should not place undue reliance on the Company's forward-looking statements. As a result of the foregoing and other factors, no assurance can be given as to any such future results, levels of activity or achievements and neither the Company nor any other person assumes responsibility for the accuracy and completeness of these forward looking statements. The factors underlying current expectations are dynamic and subject to change. Although the forward-looking information contained in this MD&A is based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. Certain statements included in this MD&A may be considered "financial outlook" for purposes of applicable securities laws, and such financial outlook may not be appropriate for purposes other than this MD&A. All forward-looking statements in this MD&A are qualified by these cautionary statements. Except as required by applicable law, the Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Highlights for the Quarter Ended June 30, 2009

The financial highlights were as follows:

- Completed the acquisition of Active Health Management on May 29, 2009
- Revenue has increased by 83% or $3,191 over the quarter ended June 2008, driven largely by the acquisition of the Active Health Management business and inclusion of one month of its revenue
- EBITDA[1] has increased to $860 compared with $470 for the comparable quarter in 2008
- Earnings per share increased to $0.011 from $0.007
- At June 30, 2009, the Company had cash on hand of $900 and an unused line of credit of $4,000

Business Overview

Alegro Health Corp. is a leading Canadian healthcare services provider. Through the Company's subsidiaries, Don Mills Surgical Unit (DMSU), Work Able Centres, Direct Health Solutions and Active Health Services, Alegro provides a variety of surgical procedures, rehabilitation and disability management, third-party medical assessments and long-term care. With a broad service offering, the growth of the healthcare services sector and the establishment of Alegro Health Partners for expansion into new healthcare sectors, Alegro is pursuing an integrated approach and an aggressive acquisition strategy to become Canada's premier healthcare services provider.

Recent Developments

At a special meeting of shareholders held on August 25, 2009, the shareholders of the Company approved the change of the Company's name to Centric Health Corporation.

The Toronto Stock Exchange ("TSX") has conditionally approved the listing of the common shares of the Company. Listing is subject to the Company fulfilling all the requirements of the TSX. The Company expects that its common shares will commence trading on the TSX in September 2009. The shares currently trade on the TSX Venture Exchange ("TSX-V").

Subsidiary Overview

Work Able and Direct Health

Work Able provides specialized medical assessment and rehabilitation services to individuals disabled as a result of work-related or motor vehicle injuries, as well as those suffering short and long- term disabilities that affect their ability to function and work.

Work Able has positioned itself as a premier provider of disability management services. Work Able pioneered the use of work-simulated facilities in Canada to support functional recovery and promote return to work and over the past three years has created a formidable catastrophic injury assessment division. Work Able presently has four facilities currently occupying a total of 28,795 square feet of leased space in Toronto, Barrie and Mississauga, Ontario as well as Halifax, Nova Scotia. These facilities are equipped with state of the art assessment, rehabilitation and work simulation tools and systems.

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[1] The Company defines EBITDA as earnings before interest, taxes, depreciation and amortization. EBITDA is not a recognized measure under Canadian GAAP. Management believes that in addition to net earnings, EBITDA is a useful supplemental measure, as it provides investors with an indication of the Company's performance. EBITDA is used by the Company to analyze performance and compare profitability between periods. Investors should be cautioned, however, that EBITDA should not be construed as an alternative to net earnings determined in accordance with GAAP. The Company's method of calculating EBITDA may differ from other companies and accordingly, EBITDA may not be comparable to measures used by other companies.

Direct Health provides medical assessment and rehabilitation services to the insurance industry and employers primarily in Ontario and Eastern Canada. It maintains leased offices in Halifax, Nova Scotia, Fredericton, New Brunswick and Toronto, Ontario. Direct Health will continue to provide vocational assessment and rehabilitation services and expand its client base of insurance, corporate and government entities in its current localities.

Work Able and Direct Health employ approximately 300 full-time staff and consultants including physicians from across a number of speciality practice areas, psychologists, occupational health nurses, physiotherapists, occupational therapists, cognitive behavioural therapists, kinesiologists and vocational evaluators.

Active Health Management

On May 29, 2009, the Company acquired the assets and businesses of Active Health Management Inc. and Brenda Rusnak Clinics Inc. and operates these as part of the rehabilitation and disability management business segment in its subsidiary, Active Health Services Ltd. and herein referred to as "Active Health Management".

Active Health Management specializes in high quality rehabilitation services that focus on physiotherapy, assessment services, physiotherapy network management and elder care. The elder care business provides physiotherapy services to over 200 retirement, assisted-living and long-term care homes, operating in the province of Ontario, through its network of independent consultants. The majority of these services are paid for by government provided health care programs.

Active Health Management also operates a health clinic in Toronto that provides rehabilitation treatment services including assessments, educational programs, on-going functional testing and treatments for pain management, movement and exercise.

The acquisition of Active Health Management included the operating business of Just Assessments. This division provides independent medical examinations across Canada to insurance companies and employers.

DMSU

DMSU is an accredited, Toronto-based hospital operating since 1966 under Ontario's Private Hospitals Act and licensed by the Ontario Ministry of Health and Long-Term Care ("MOH"). DMSU specializes in a mix of ambulatory surgical services including:

Ophthalmology – cataract extraction and lens implants;

Orthopaedics – arthroscopic procedures on knees, rotator cuff repair and forefoot reconstruction;

Plastic Surgery – reconstructive and cosmetic surgeries.

Affiliated surgeons maintain active practices within their specialty areas and are members of the Royal College of Physicians and Surgeons. DMSU provides services from a 7,381 square foot Toronto-based facility that includes two fully equipped operating theatres, 1 procedure room, 20 overnight stay beds, a central nursing station and physicians` offices. DMSU retains full-time, part-time and casual nursing and administrative staff of 21 people.

Selected Financial Information

The following selected financial information for the three and six months ended June 30, 2009 has been derived from the interim consolidated financial statements and should be read in conjunction with those financial statements and related notes.

	Three months ended June 30			Six months ended June 30		
	2009	2008	Change	2009	2008	Change
Revenue	$ 7,027	$ 3,836	83%	$ 11,296	$ 7,565	49%
Expenses						
Direct costs	4,704	1,933	143%	6,969	3,964	76%
General and administrative expense	1,463	1,433	2%	2,880	2,760	4%
Amortization	61	40	53%	108	91	19%
	6,228	3,406	83%	9,957	6,815	46%
Income before interest expense	799	430	86%	1,339	750	79%
Interest expense	60	-		60	-	
Income before income taxes	$ 739	$ 430	72%	$ 1,279	$ 750	71%
EBITDA	$ 860	$ 470	83%	$ 1,447	$ 841	72%

Results of Operations

Revenues

Revenue for the quarter ended June 30, 2009 was $7,027 and includes one month of operations for the newly acquired Active Health Management division. The combined revenue in the second quarter for the disability management divisions of Work Able and Direct Health was $3,876, which was $387 higher than the prior year. This growth was attributable to customer service strategies that promoted newer and higher repeat business with existing clients. DMSU revenue for the second quarter was consistent with last year. The Active Health Management business generated revenue of $2,820 for the one month that is was owned during the quarter.

Revenue for the six month period was similarly impacted by the revenue generated by the Active Health Management business and the balance of the increase of $911 was generated in the disability management divisions.

Expenses

Direct costs include third party consultant fees associated with the assessment and physiotherapy businesses and salaries and wages of employees working directly in each business segment. Direct costs increased by $2,262 due to the acquisition of the Active Health Management business, the remainder of the increase of $509 was due to higher fees paid to third party consultants due to higher business volumes in the assessment business and a general increase in fee schedules paid to medical professionals used in the business. Direct costs expressed as a percentage of revenue is approximately 80% for the Active Health Management business versus 58% for the other business segments which reflects the higher labour component in the Active Health Management business.

General and administrative expense for the three and six month periods ended June 30, were in-line with the prior year comparable periods.

Amortization was higher during three and the six month periods ended June 30, 2009 due to the amortization of the assets acquired in the Active Health Management acquisition.

Interest expense for the current quarter relates to the long-term loan that was arranged for the purchase of the Active Health Management business and includes $11 of amortization of financing costs.

Liquidity and Capital Resources

The main working capital requirement relates to the financing of accounts receivable which are primarily from the Workplace Safety and Insurance Board, government agencies, employers and insurance companies. Such receivables totalled approximately $8.5 million at June 30, 2009. These receivables are, to a large extent, financed by accounts payable to third party service providers who typically are paid when payment for the related services is received from the Company's customers. The Company also has a revolving operating credit facility to a maximum of $4 million to fund receivables. The Company consistently generates positive operating cash flows which are not subject to significant seasonal fluctuations.

The Company believes that its cash on hand along with its revolving operating facility (which currently is undrawn) and the expected cash flow from operations over the next year will be sufficient to meet its short-term business requirements including the repayment of the current portion of its long-term loan amounting to $2.2 million. Longer term capital requirements will depend on many factors including the number and size of acquisitions consummated, the rate of growth of the Company's client base and the cost of expanding in its new markets for existing and new healthcare services. In order to meet such capital requirements, the Company may require additional public or private financing in the capital markets for debt or equity financing. In addition, it may seek strategic partners to finance new business opportunities.

At June 30, 2009, the Company had total cash on hand of $900, a decrease of $2,666 during the quarter. This decrease is the net result of a number of activities during the quarter.

Non-cash working capital decreased by $176 during the quarter ended June 30, 2009, compared to an increase in the comparable quarter in the prior year of $452. This change is primarily due to a shift in income taxes payable (an increase of $221 in the current quarter versus a decrease in the comparable quarter in the previous year of $576) offset by a lower reduction in accounts receivable in the current three month period compared to the prior year period ($204 versus $324).

Non-cash working capital increased by $427 during the six months ended June 30, 2009 versus an increase of $1,339 in the comparable six month period in the prior year. The majority of the difference between the two periods relates to the fact income taxes payable increased in the current six month period by $176 whereas it decreased by $460 in the prior year six month period.

Investing activities during the quarter ended June 30, 2009 include the $19,979 (six months ended June 30, 2009 - $20,179) paid for the acquisition of Active Health Management. In addition $185 of purchases of property and equipment incurred relating to the existing business (six months ended June 30, 2009 - $216).

As part of the acquisition of Active Health Management, the Company obtained two sources of funding which included an $11,000 loan from a major chartered bank and issued of units comprising shares and warrants through a private placement to an existing shareholder in the amount of $6,765. In addition, the vendor accepted 3,333,333 of the Company's shares valued at $1,000 as partial consideration of the purchase price. As part of the agreement relating to the private placement, the Company agreed to repay the outstanding debenture owing to GHIS Capital Inc. ("GHIS Capital") of $750. This amount had been showing as non-controlling interest as explained in Note 10 to the Company's unaudited interim consolidated financial statements.

The long-term loan is repayable over a five year term, with quarterly payments of $550. The interest is payable monthly at a fixed annual rate of 5.65%.

At June 30, 2009, the Company was in compliance with all of the covenants on its long-term and operating loan facilities.

Equity

Share Capital

During the quarter ended June 30, 2009, the Company completed a private placement with Global Healthcare Investments and Solutions, Inc. ("GHIS") for 20,500,000 units comprising of 20,500,000 shares and a corresponding number of common share purchase warrants, exercisable for 5 years at $0.33 per unit, for cash consideration of $6,765. The warrants have been fair valued at $2,981 (less transaction costs of $24) using the Black-Scholes pricing model using the following assumptions:

Dividend yield	Nil
Expected volatility	115%
Risk-free interest rate	2.5%
Expected life in years	5
Fair value at grant date	$0.26

As part of the purchase price for the acquisition of the Active Health Management business, the seller received 3,333,333 shares having a value of $1,000.

As at June 30, 2009, the Company had total shares outstanding of 60,415,095 compared to 36,581,762 at December 31, 2008. There were also 20,500,000 warrants outstanding as at June 30, 2009 entitling the holder to acquire 20,500,000 common shares at an exercise price of $0.33 per share.

As at June 30, 2009, there were a total of 3,775,000 options outstanding to purchase an equivalent number of common shares, with a weighted average exercise price of $0.30, expiring at various dates until 2014.

Retained Earnings

During the quarter ended June 30, 2009, the convertible debenture issued to GHIS Capital was redeemed. Previously this debenture was accounted for as equity by one of the subsidiary companies, which resulted in this being classified as non-controlling interest upon consolidation and interest incurred on this debenture was treated as a distribution of equity, which resulted in a reduction of the non-controlling interest upon consolidation. Upon redemption of the debenture, the excess of the amount paid over the carrying value of the non-controlling interest (resulting from the cumulative interest paid on the debenture) has been treated as a reduction in retained earnings.

Summary of Quarterly Results

The following is a summary of the quarterly results for the last ten fiscal quarters.

	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
Fiscal year 2009				
Revenue and other income			$ 7,027	$ 4,268
Net income			$ 518	$ 338
Income per share – basic and diluted			$ 0.011	$ 0.009
Fiscal year 2008				
Revenue and other income	$ 4,595	$ 3,635	$ 3,836	$ 3,728
Net income	$ 263	$ 225	$ 258	$ 204
Income per share – basic and diluted	$ 0.007	$ 0.006	$ 0.007	$ 0.005
Fiscal year 2007				
Revenue and other income	$ 4,195	$ 3,219	$ 3,308	$ 3,527
Net income	$ 141	$ 98	$ 249	$ 264
Income per share – basic and diluted	$ 0.005	$ 0.003	$ 0.02	$ 0.010

Business Outlook

The integration of the Active Health Management business acquired during the second quarter is progressing well in line with the Company's expectations. The Active Health Management business is performing extremely well and we expect that, on an annual basis, this business unit will contribute significantly to revenue and EBITDA.

The Company continues to search for other business opportunities as part of its strategic review process primarily aimed at enhancing the current business units, diversifying income streams within the healthcare industry and proceeding with security offerings to healthcare professionals in Canada in order to fund strategic expansion opportunities.

Transactions with Related Parties

The Company's related party transactions in 2009 are as follows:

For the three months ended June 30, 2009, the Company incurred management fees of $90 (2008 – $85). The management services were provided by corporations controlled by Ms. Rasmussen, a shareholder, officer and director of the Company. For the six months ended June 30, 2009, the Company incurred management fees of $180 (2008 – $195) payable to the same corporation.

For the quarter ended June 30, 2009, the Company incurred $50 in consulting fees and $9 of interest paid to GHIS and GHIS Capital, respectively (2008 – $45 and $7). For the six months ended June 30, 2009, the Company incurred $95 in consulting fees and $22 of interest paid to GHIS and GHIS Capital, respectively (2008 – $90 and $26).

As described in Note 6 to the unaudited interim financial statements, concurrent with the closing of the acquisition of the Active Health Management business, the Company redeemed the convertible debenture held by GHIS Capital Inc. at its face amount of $750 and also agreed to issue to GHIS Capital Inc. a warrant entitling it to acquire 25% of the wholly-owned subsidiary, Alegro Health Partners Inc. ("AHP") upon payment of $33. Other aspects of the contractual arrangements between the Company, GHIS and GHIS Capital remained essentially unchanged including the agreement that AHP will be the entity that would pursue and conduct all new business opportunities in the healthcare sector distinct from the Company's current rehabilitation, medical assessment and related activities.

Accounting Policies

The preparation of financial statements requires the Company to estimate the effect of various matters that are inherently uncertain as of the date of the financial statements. Each of these required estimates varies in regard to the level of judgment involved and its potential impact on the Company's reported financial results. Estimates are deemed critical when a different estimate could have reasonably been used or where changes in the estimate are reasonably likely to occur from period to period, and would materially impact the Company's financial condition, changes in financial condition or results of operations.

New Accounting Policies

Business Combinations

In January 2009, the CICA issued Handbook Section 1582, "Business Combinations", which replaces Sections 1581 and 1601, "Consolidated Financial Statements", and establishes new standards for accounting for business combinations. This standard is effective for business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2011. Should the Company engage in a future business combination, it would consider early adoption to coincide with the adoption of IFRS.

Non-controlling Interests

Also in January 2009, the CICA issued Handbook Section 1602, "Non-controlling Interests", to provide guidance on accounting for non-controlling interests subsequent to a business combination. This standard is effective for fiscal years beginning on or after January 2011.

Credit Risk and the Fair Value of Financial Assets and Financial Liabilities

In January 2009, the CICA issued EIC 173, "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities". This guidance clarified that an entity's own credit risk and the credit risk of the counterparty should be taken into account in determining the fair value of financial assets and financial liabilities including derivative instruments. This guidance is applicable to fiscal periods ending on or after January 20, 2009. The Company does not expect that this guidance will have any material impact on its consolidated financial statements.

Section 3064, "Goodwill and Intangible Assets", which replaces Section 3062, "Goodwill and Other Intangible Assets", and Section 3450, "Research and Development Costs", establishes revised standards for recognition, measurement, presentation and disclosure of goodwill and intangible assets. Concurrent with the introduction of this standard, the CICA withdrew EIC 27, "Revenues and Expenses" during the pre-operating period. As a result of the withdrawal of EIC 27, the Company will no longer be able to defer costs and revenues incurred prior to commercial production for new operations. The new standard is effective for the Company on January 1, 2009. The Company does not expect that this standard will have any material impact on its consolidated financial statements.

Future Accounting Changes

International Financial Reporting Standards

The CICA plans to transition Canadian GAAP for publicly oriented enterprises to International Financial Reporting Standards ("IFRS"). The effective changeover date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The impact of the transition to IFRS on the Company's consolidated financial statements has not yet been determined. In order to accommodate the transition to IFRS, planning and training are currently in progress.

Disclosure Controls and Procedures

Under the supervision of and with the participation of management, including the Chief Executive Officer and Chief Financial Officer, we have evaluated the design of the Company's disclosure controls and procedures as at June 30, 2009 and have concluded that those disclosure controls and procedures were effective in ensuring that information required to be disclosed by the Company in its corporate filings is recorded, processed, summarized and reported within the required time period. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that its objectives are met. Due to inherent limitations in all such systems, no evaluations of controls can provide absolute assurance that all control issues, if any, within a company have been detected. Accordingly, our disclosure controls and procedures are designed to provide reasonable, not absolute, assurance that the objectives of our disclosure control system are met.

Internal Controls over Financial Reporting

Management is responsible for establishing and maintaining internal controls over financial reporting for the issuer and that those internal controls have been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with Canadian generally accepted accounting principles.

In May 2009, the Company announced that it has appointed Peter Walkey as Chief Financial Officer effective May 16, 2009. Mr. Walkey has previously served the last five years as CFO with an income trust that was publicly listed on the TSX. Mr. Walkey is a Certified General Accountant and holds a Bachelor of Commerce degree from the University of Toronto.

Off-Balance Sheet Arrangements

As at June 30, 2009, the Company had no off-balance sheet arrangements.

Risks and Uncertainties

A potential investor should carefully consider the risk factors set forth in deciding whether to invest in the securities of the Company. An investment in the securities of the Company is suitable only to those investors who are willing to risk the loss of their entire investment. The following discussion of certain risk factors relating to the business of the Group is qualified in its entirety by reference to, and must be read in conjunction with, information appearing elsewhere in the financial statements for the quarter ended June 30, 2009.

(i) Competition

The markets for Work Able and Direct Health's products are intensely competitive, subject to rapid change and significantly affected by market activities of other industry participants.

There is little, other than the relationships with the insurance companies, to prevent the entrance into the Disability Management sector for those wishing to provide similar services to those provided by Work Able and Direct Health. Work Able and Direct Health also compete for the provision of consulting services from independent healthcare professionals. Competitors with greater capital and/or experience may enter the market or compete for referrals from insurance companies and the services of available health care professionals. There can be no assurance that Work Able and Direct Health will be able to compete effectively for these referrals and healthcare professionals, that additional competitors will not enter the market, that such competition will not make it more difficult or expensive to provide disability management services or that competitive pressures in the provision of these services in a geographic region will not otherwise adversely affect Alegro.

(ii) Government Regulation and Funding

Work Able and Direct Health's business operates in an environment in which insurance regulation, policy and funding decisions play a key role. Regulatory and insurance policy related to medical and rehabilitation benefits are largely beyond Work Able and Direct Health's control. Changes in regulation and funding structures related to third party disability management services, or their interpretation and application, could adversely affect the business, financial condition and results of operation of the Division.

Healthcare service providers in Canada are subject to various governmental regulation and licensing requirements and, as a result, both the Active Health Management and the DMSU businesses operate in an environment in which government regulations play a key role. The level of government funding directly reflects government policy related to healthcare spending, and decisions can be made regarding such funding that are largely beyond the businesses control. Any change in governmental regulation and licensing requirements relating to healthcare services, or their interpretation and application, could adversely affect the business, financial condition and results of operations of these two business units.

(iii) Acquisition and Integration

The Company hopes to make acquisitions of various sizes that fit particular niches within Alegro's overall corporate strategy. There is no assurance that it will be able to acquire businesses on satisfactory terms or at all. These acquisitions will involve the commitment of capital and other resources, and these acquisitions could have a major financial impact in the year of acquisition and beyond. The speed and effectiveness with which Alegro integrates these acquired companies into its existing businesses can have a significant short-term impact on Alegro's ability to achieve its growth and profitability targets.

The successful integration and management of acquired businesses involves numerous risks that could adversely affect Alegro's growth and profitability, including that:

(a) Management may not be able to manage successfully the acquired operations and the integration may place significant demands on management, thereby diverting its attention from existing operations;

(b) Operational, financial and management systems may be incompatible with or inadequate to integrate effectively and to manage acquired systems;

(c) Acquisitions may require substantial financial resources that could otherwise be used in the development of other aspects of the business;

(d) Acquisitions may result in liabilities and contingencies which could be significant to the operations; and

(e) Personnel from Alegro's acquisitions and its existing businesses may not be integrated as efficiently or at the rate foreseen

The acquisition of healthcare-related companies or assets involves a long cost recovery cycle. The sales processes for the products that these companies offer are often subject to lengthy customer approval processes that typically accompany significant capital expenditures. Failures by the Group in achieving signed contracts after the investment of significant time and effort in the sales process could have an adverse impact on the Group's operating results.

(iv) Referrals

The success of the Work Able and Direct Health divisions is currently dependent upon insurance company referrals of patients for assessment and rehabilitation procedures. These referrals come through preferred provider and other service agreements established through competitive tendering processes. If a sufficiently large number of service agreements were discontinued, the business, financial condition and results of operations of Alegro could be adversely affected.

In addition, at DMSU the patient referrals are dependent on the surgical practitioners affiliated thereto. Surgical practitioners have no contractual obligation or economic incentive to refer patients to the hospital. Should surgical practitioners discontinue referring patients or performing operations at DMSU, the business, financial condition and results of operations of Alegro could be adversely affected.

(v) Shortage of Physicians and Nurses

As DMSU expands its operations, it may encounter difficulty in securing the necessary professional medical and support staff to support its expanding operations. There is currently a shortage of certain medical specialty physicians and nurses in Canada and this may affect DMSU's ability to hire physicians and nurses in adequate numbers to support its growth plans, which may adversely affect the business, financial condition and results of operations of Alegro.

(vi) Confidentiality of Personal and Health Information

Alegro and its subsidiary employees have access, in the course of their duties, to personal information on clients of the Company and specifically their medical histories. There can be no assurance that the Group's existing policies, procedures and systems will be sufficient to address the privacy concerns of existing and future clients. If a client's privacy is violated, or if Alegro is found to have violated any law or regulation, it could be liable for damages or for criminal fines or penalties.

(vii) Information Technology Systems

Alegro's businesses depends, in part, on the continued and uninterrupted performance of its information technology systems. Sustained system failures or interruptions could disrupt the Group's ability to operate effectively, which in turn could adversely affect the business, results of operations and financial condition.

The Group's computer systems may be vulnerable to damage from a variety of sources, including physical or electronic break-ins, computer viruses and similar disruptive problems. Despite precautions taken, unanticipated problems affecting the information technology systems could cause interruptions for which Alegro's insurance policies may not provide adequate compensation.

(viii) Key Personnel

The Company believes that its future success will depend significantly upon its ability to attract, motivate and retain highly skilled executive management. In addition, the success of each business unit depends on employing or contracting, as the case may be, qualified healthcare professionals. Currently, there is a shortage of such qualified personnel in Canada. The loss of healthcare professionals or the inability to recruit these individuals in markets that the Company operates in and could adversely affect the Company's ability to operate its business efficiently and profitably.

(ix) Litigation and Insurance

In recent years, liability insurance coverage has become considerably more expensive and the availability of coverage has been reduced in certain cases. There is no assurance that the existing coverage will continue to be sufficient or that, in the future, policies will be available at adequate levels of insurance or at acceptable costs. Alegro maintains professional malpractice liability insurance, directors' and officers' and general liability insurance in amounts it believes are sufficient to cover potential claims arising out of its operations. Some claims, however, could exceed the scope of its coverage or the coverage of particular claims could be denied.

Due to the nature of the services provided by the Company, general liability and error and omissions claims may be asserted against Work Able and Direct Health with respect to disability management services and malpractice claims against Active Health Management and DMSU with respect to healthcare services. Although the Company carries insurance in amounts that management believes to be standard in Canada for the operation of healthcare facilities, there can be no assurance that the Company will have obtained coverage of sufficient scope to satisfy any particular liability claim. The Company believes that it will be able to obtain adequate insurance coverage in the future at acceptable costs, but there can be no assurance that it will be able to do so or that it will not incur significant liabilities in excess of policy limits. Any such claims that exceed the scope of coverage or applicable policy limits, or an inability to obtain adequate coverage, could have a material adverse effect on the Company's business, financial condition and results of operations.

(x) Uncertainty of Liquidity and Capital Requirements

The future capital requirements of the Company will depend on many factors, including the number and size of acquisitions consummated, rate of growth of its client base, the costs of expanding into new markets, the growth of the market for healthcare services and the costs of administering the Group. In order to meet such capital requirements, the Company may consider additional public or private financing (including the incurrence of debt and the issuance of additional common shares) to fund all or a part of a particular venture, which could entail dilution of current investors' interest in the Company. There can be no assurance that additional funding will be available or, if available, that it will be available on acceptable terms. If adequate funds are not available, the Company may have to reduce substantially or otherwise eliminate certain expenditures. There can be no assurance that Alegro will be able to raise additional capital if its capital resources are depleted or exhausted. Further, due to regulatory impediments and lack of investor appetite, the ability of the Company to issue additional common shares or other securities exchangeable for or convertible into common shares to finance acquisitions may be restricted.

(xi) Internal Control over Financial Reporting and Disclosure Controls and Procedures

The Company may face risks if there are deficiencies in its internal control over financial reporting and disclosure controls and procedures. The Board of Directors of the Company, in coordination with its audit committee, is responsible for assessing the progress and sufficiency of internal controls over financial reporting and disclosure controls and procedures and will make adjustments as necessary. However, these initiatives may not be effective at remedying any deficiencies in internal control over financial reporting and disclosure controls and procedures. Any deficiencies, if uncorrected, could result in the Company's financial statements being inaccurate and in future adjustments or restatements of its financial statements, which could adversely affect the price of the common shares and its business, financial condition and the results of operations.

(xii) Unpredictability and Volatility of Share Price

Market prices for securities of healthcare services companies may be volatile. Factors such as announcements of new contracts, innovations, new commercial and medical products, patents, the development of proprietary rights by Alegro or others, regulatory actions, publications, quarterly financial results of the Group or of competitors of Alegro, public concerns over health, future sales of securities by the Company or by current shareholders and other factors could have a significant effect on the market price and volatility of the common shares of Alegro.

The securities markets have experienced significant price and volume fluctuations from time to time in recent years that often have been unrelated or disproportionate to the operating performance of particular issuers. These broad fluctuations may adversely affect the market price of the Alegro shares.

(xiii) Capital Investment

The timing and amount of capital expenditures by the Company will be dependent upon the Company's ability to utilize credit facilities, cash generated from operations, working capital requirements and sell additional common shares in order to accommodate these items. There can be no assurance that sufficient capital will be available on acceptable terms to the Company for necessary or desirable capital expenditures or that the amount required will be the same as currently estimated. Lack of these funds could limit the future growth of the Company and its subsidiaries and their respective cash flow.

(xiv) Tax Related Risks

The income of the Company and its subsidiaries must be computed and will be taxed in accordance with Canadian tax laws, all of which may be changed in a manner that could adversely affect the amount of earnings after tax and ultimately the value at which the Company's common shares trade.

Holding company and subsidiary company structures generally involve a significant amount of intercompany transactions, which serve to reduce earnings in one company and increase earnings in another and therefore income tax payable can increase and decrease. There can be no assurance that taxation authorities will not seek to challenge the amount and nature of these transactions. If such a challenge were to succeed against any of the group companies, it could materially adversely affect the value at which the Company's common shares trade.

Management of the Company believes that these transactions are supportable and reasonable in light of the commercial relationships between the group companies.

Although the Company is of the view that all expenses to be claimed by the Company and its subsidiaries will be reasonable and deductible and that the cost amount and capital cost allowance claims of such entities' depreciable assets will have been correctly determined, there can be no assurance that the Canadian Revenue Authorities ("CRA") will agree. If CRA successfully challenges the deductibility of such expenses or the correctness of such cost amounts or capital cost allowance claims, the return to shareholders may be adversely affected.

(xv) Dilution

The By Laws authorize the Company, in certain circumstances, to issue an unlimited number of common shares for the consideration and on those terms and conditions as are established by the directors without the approval of any shareholders. Any further issuance of common shares may dilute the interests of existing shareholders.

(xvi) Significant Shareholders

There are significant shareholders of the Company that may be long-term holders of the common shares in the Company. As such, the trading volumes in the common shares of the Company and liquidity may be low. In addition, relatively low liquidity may adversely affect the price at which the common shares of Alegro trade on the listed market.