



WELLSTAR TECHNOLOGIES CORP.

CONSOLIDATED COMBINED FINANCIAL STATEMENTS DECEMBER 31, 2025

Expressed in thousands of Canadian dollars

Independent Auditor's Report

To the Board of Directors of
WELLSTAR Technologies Corp.

Opinion

We have audited the consolidated combined financial statements of WELLSTAR Technologies Corp. (the "Company"), which comprise the consolidated combined statements of financial position as at December 31, 2025 and 2024, and the consolidated combined statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated combined financial statements, including material accounting policy information (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's

report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

/s/ Deloitte LLP

Chartered Professional Accountants
Vancouver, British Columbia
April 22, 2026

WELLSTAR TECHNOLOGIES CORP.**Consolidated Combined Statements of Loss and Comprehensive Loss**

	Years ended	
	December 31 2025	December 31 2024
<i>(in thousands of Canadian dollars)</i>		
Revenue (Note 5)	72,227	44,716
Expenses		
Cost of sales (excluding depreciation and amortization)	18,274	9,042
General and administrative (Note 6)	37,507	25,468
Depreciation and amortization (Note 10 and 11)	6,728	5,511
Share-based compensation (Note 19)	2,241	2,398
Foreign exchange (gain) loss	(12)	8
Operating income	7,489	2,289
Interest income (Note 7)	(1,136)	—
Interest expense (Note 7)	8,841	510
Time-based earnout expense	5,111	5,080
Gains in the fair value of financial assets (Note 9)	(1,404)	—
Other expenses	917	426
Loss before income tax	(4,840)	(3,727)
Income tax expense (Note 17)	1,355	236
Net loss and total comprehensive loss	(6,195)	(3,963)
Net (loss) income and total comprehensive loss attributable to:		
Owners of WELLSTAR Technologies Corp.	(6,683)	(4,102)
Non-controlling interests	488	139
	(6,195)	(3,963)
	Year Ended December 31, 2025	For the period December 7, 2024 to December 31, 2024
Loss per share attributable to WELLSTAR Technologies Corp.		
Basic	(0.03)	—
Diluted	(0.03)	—
Weighted average number of common shares outstanding		
Basic	253,619,542	253,616,401
Diluted	253,619,542	253,616,401

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

WELLSTAR TECHNOLOGIES CORP.
Consolidated Combined Statements of Financial Position

<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
Assets		
Current		
Cash	69,944	32,835
Accounts and other receivables (Note 8)	8,608	6,118
Loan receivable from parent company (Note 20)	10,083	—
Prepayments and other assets	2,656	1,585
Receivables from related parties (Note 20)	2,694	1,552
Total current assets	93,985	42,090
Financial assets at fair value through profit and loss (Note 9)	4,113	—
Prepayments and other assets – non-current	114	81
Property and equipment (Note 10)	1,936	1,947
Intangible assets (Note 11)	44,592	40,673
Goodwill (Note 11)	64,902	57,073
Total assets	209,642	141,864
Liabilities and equity		
Current		
Accounts payable and accrued liabilities	6,250	3,305
Deferred revenue (Note 12)	2,727	1,977
Deferred acquisition costs (Note 13)	2,628	1,188
Lease liability (Note 14)	540	399
Warrant liability (Note 16(b))	580	585
Other liabilities (Note 15)	10,132	5,985
Total current liabilities	22,857	13,439
Warrant liability – non-current (Note 16(b))	603	—
Deferred acquisition costs – non-current (Note 13)	971	892
Lease liability – non-current (Note 14)	776	1,282
Redeemable preferred shares (Note 16(a))	113,352	47,469
Deferred tax liabilities (Note 17(c))	8,739	9,784
Total liabilities	147,298	72,866
Equity		
Share capital (Note 18)	252,470	252,353
Share-based payment reserve (Note 19)	1,349	—
Accumulated deficit	(199,037)	(186,745)
Equity attributable to owners of WELLSTAR Technologies Corp.	54,782	65,608
Non-controlling interests	7,562	3,390
Total equity	62,344	68,998
Total equity and liabilities	209,642	141,864

Events after the reporting period (Note 24)

Approved by the Directors:
"Hamed Shahbazi"

"Evelyn Sutherland"

WELLSTAR TECHNOLOGIES CORP.
Consolidated Combined Statements of Changes in Equity

<i>(in thousands of Canadian dollars)</i>	Share capital	Share-based payment reserve	Accumulated deficit	Equity attributable to owners of WELLSTAR	Non-controlling interests	Total equity
Balance at December 31, 2024	252,353	—	(186,745)	65,608	3,390	68,998
Acquisition of non-controlling interest (Note 22)	117	—	(1,454)	(1,337)	154	(1,183)
Distributions paid to non-controlling interests	—	—	—	—	(185)	(185)
Business combination under common control transaction (Note 22)	—	—	(4,155)	(4,155)	3,715	(440)
Share-based payment expense (Note 19)	—	1,349	—	1,349	—	1,349
Net (loss) income for the period	—	—	(6,683)	(6,683)	488	(6,195)
Balance at December 31, 2025	252,470	1,349	(199,037)	54,782	7,562	62,344

<i>(in thousands of Canadian dollars)</i>	Net parent investment	Share capital	Share-based payment reserve	Accumulated deficit	Equity attributable to owners of WELLSTAR	Non-controlling interests	Total equity
Balance at January 1, 2024	61,507	—	—	—	61,507	(83)	61,424
Net contributions from parent (Note 2)	5,570	—	—	—	5,570	—	5,570
Distributions paid to non-controlling interests	—	—	—	—	—	(172)	(172)
Net (loss) income from January 1, 2024 to December 6, 2024	(3,821)	—	—	—	(3,821)	129	(3,692)
WELLSTAR reorganization (Note 2)	(63,256)	249,720	—	(186,464)	—	—	—
Shares issued for consideration in business combination (Note 22)	—	2,633	—	—	2,633	—	2,633
Non-controlling interest arising in business combination (Note 22)	—	—	—	—	—	3,506	3,506
Net (loss) income from December 7, 2024 to December 31, 2024	—	—	—	(281)	(281)	10	(271)
Balance at December 31, 2024	—	252,353	—	(186,745)	65,608	3,390	68,998

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

WELLSTAR TECHNOLOGIES CORP.

Consolidated Combined Statements of Cash Flows

<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
Cash flows provided by/(used in)		
Operating activities		
Net loss for the period	(6,195)	(3,963)
<i>Adjustments to net loss for non-cash items:</i>		
Interest expense accretion (Note 7)	8,838	509
Depreciation and amortization (Note 10 and 11)	6,728	5,511
Gain on asset disposition	—	(34)
Share-based compensation expense (Note 19)	2,241	2,398
Unrealized gains on changes in fair value of financial assets (Note 9)	(1,404)	—
Deferred income taxes (Note 17)	(1,839)	(871)
<i>Change in non-cash operating items:</i>		
Accounts and other receivables	(2,274)	(712)
Payable to related parties	(2,288)	(4,432)
Prepayments and other assets	(994)	(212)
Accounts payable and accrued liabilities	827	1,065
Other current liabilities	3,689	860
Deferred revenue	436	(952)
Net cash provided by (used in) operating activities	7,765	(833)
Investing activities		
Acquisition of non-controlling interest (Note 22)	(1,047)	—
Business acquisitions, net of cash acquired (Note 22)	(8,348)	(16,230)
Acquisition of property and equipment (Note 10)	(554)	(180)
Development of internally generated intangible assets (Note 11)	(4,271)	(2,316)
Loan to related parties (Note 20)	(9,745)	—
Investment in financial assets (Note 9)	(1,712)	—
Settlement of working capital holdbacks	(1,743)	—
Settlement of deferred acquisition costs (Note 13)	(1,000)	—
Net cash used in investing activities	(28,420)	(18,726)
Financing activities		
Net proceeds from redeemable preferred shares (Note 16(a))	58,610	47,645
Contributions from parent	—	4,797
Repayments of loans and borrowings	—	(40)
Distributions to non-controlling interests	(185)	(172)
Lease payments (Note 14)	(661)	(1,443)
Net cash provided by financing activities	57,764	50,787
Net change in cash	37,109	31,228
Cash - beginning of period	32,835	1,607
Cash - end of period	69,944	32,835
Supplemental Disclosure of Operating Cash Flows:		
Interest paid	(3)	(1)
Interest received	798	—
Income taxes paid, net	(2,089)	(780)

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

1. NATURE OF OPERATIONS

WELLSTAR Technologies Corp. (the "Company" or "WELLSTAR") is a leading provider of healthcare-focused technology solutions. WELLSTAR's comprehensive range of products and solutions are designed to streamline care delivery, integrate fragmented healthcare systems more seamlessly, reduce provider burnout, and improve patient healthcare experiences and outcomes.

The Company was incorporated under the Business Corporations Act of British Columbia on October 18, 2024 by its parent company WELL Health Technologies Corp. ("WELL"). The Company's head office is located at Suite 550 - 375 Water Street, Vancouver, BC, V6B 5C6.

These consolidated combined financial statements were approved by the Company's Board of Directors on April 22, 2026.

2. BASIS OF PRESENTATION

a) Reorganization

The consolidated combined financial statements are prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IFRS").

These audited annual consolidated combined financial statements have been prepared under the historical cost basis except with respect to certain financial instruments which are measured at fair value (Note 23). All financial information in these audited annual consolidated combined financial statements, except share and per share amounts, is presented in thousands of Canadian dollars.

On December 6, 2024, WELL effected a reorganization (the "Reorganization") so that WELLSTAR's EMR, Billing and Practice Management, and Digital Apps operations that were historically owned and operated by WELL, both directly and indirectly, were acquired by WELLSTAR. In consideration, WELL received 249,720,000 multiple voting shares with a stated value of \$249,720, representing a 100% voting interest over WELLSTAR. As a business combination under common control, the transaction was recorded using predecessor accounting whereby the net assets of the acquired companies were recognized at \$63,256, being the aggregate carrying values on the consolidated financial statements of WELL at the date of acquisition. The difference of \$186,464 between the consideration given and the aggregate carrying value of the net assets was recognized directly in retained earnings. Transactions and balances between the Company and WELL are reflected as related party transactions within these consolidated combined financial statements.

The financial statements for periods prior to and through the date of the Reorganization have been prepared on a combined standalone basis and were derived from the consolidated financial statements and accounting records of WELL. The financial statements for the period from December 7, 2024 through December 31, 2025 are consolidated financial statements of the Company. All assets and liabilities of the Company are controlled by WELL prior to and upon completion of the reorganization and therefore have been accounted for at carrying value.

The historical results of operations and cash flows of the Company prior to the Reorganization presented in these consolidated combined financial statements may not be indicative of what they would have been had the Company been an independent standalone entity, nor are they necessarily indicative of the Company's future results of operations, financial position and cash flows. The consolidated combined statements of loss and comprehensive loss for periods prior to and through the Reorganization include all revenues and costs directly attributable to the Company and an allocation of expenses related to certain corporate functions. These allocated costs and expenses include executive management, corporate development, finance, tax, audit, legal, information technology, human resources and risk management functions and the related benefit/cost associated with such functions. These costs and expenses have been allocated to the Company based on direct usage or benefit where specifically identifiable, with the remaining expenses allocated primarily on a pro rata basis using an applicable measure of revenues,

headcount or other relevant measures. The Company considers these allocations to be a reasonable reflection of the utilization of services or the benefits received.

The preparation of the Company's consolidated and combined financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in these financial statements and accompanying notes. Actual results could differ from those estimates. Generally, actual experience has been consistent with management's prior estimates and assumptions. In many cases, management's estimates and assumptions are dependent on estimates of such future developments which may change in the future. In the opinion of management, all adjustments considered necessary for a fair presentation have been included in the accompanying consolidated combined financial statements. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated combined financial statements are disclosed in Note 4.

b) Other arrangements with WELL

The Company entered into an administrative services agreement with WELL to provide certain executive management, corporate development, finance, tax, audit, legal, information technology, human resources and risk management services. The charges for these services are reflected in the consolidated combined statement of loss and comprehensive loss (Note 20).

3. MATERIAL ACCOUNTING POLICY INFORMATION

The significant accounting policies used in the preparation of these consolidated combined financial statements are described below.

a) Basis of consolidation

These consolidated combined financial statements include the assets, liabilities and results of operations of the Company and all subsidiaries that are controlled by the Company for the years ended December 31, 2025, and 2024.

Control over a subsidiary exists when the Company is exposed to and has the rights to variable returns of the subsidiary and has the ability to affect those returns through its power over the entity. The existence and effect of voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity. Subsidiaries are consolidated from the date on which control is transferred to the Company and are deconsolidated from the date control ceases. Intercompany transactions, balances, and unrealized gains/losses on transactions between subsidiaries are eliminated on consolidation.

b) Business combinations

The Company applies the acquisition method to account for business combinations where common control does not exist before the transaction. Consideration for the acquisition of a subsidiary is measured at fair value and includes assets transferred, equities issued as well as any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any non-controlling interests are recognized at the non-controlling interest's proportionate share of the fair value of the net assets acquired. Acquisition related costs are expensed as incurred.

Goodwill is initially measured as the excess of the consideration paid over the fair value of net identifiable assets acquired. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in the consolidated statement of loss and comprehensive loss.

The Company recognizes contingent consideration relating to its business combinations at fair value at the date the transaction closes and revalues the component of contingent consideration recognized as a liability at each subsequent reporting date and on settlement through earnings. Contingent consideration that will be settled by

delivering a fixed number of common shares is classified as equity and not revalued at each subsequent reporting date.

Business combinations under common control are accounted for using predecessor accounting. Assets and liabilities of the acquired entity are stated at the carrying value on the transferor's financial statements as of the date of acquisition. Any difference between the consideration given and the aggregate carrying value of the assets and liabilities of the acquired entity at the date of the transaction is recognized directly in equity. Transaction costs are expensed as incurred. The results of the acquired entity are included in the consolidated financial statements from the date control is obtained, and comparatives are not restated unless the transaction represents a continuation of the existing group structure.

The Company recognizes any non-controlling interest on consolidation at its proportionate share of the acquiree's identifiable net assets. When the Company acquires an asset via a step transaction, the Company remeasures and adjusts any previously held interest to fair value.

In certain business combinations, selling shareholders may become employees and receive a time-based earn out payment. The time-based earn out payments are considered remuneration for post-combination services as the payments are contingent on continuing employment and are automatically forfeited if employment terminates. Where applicable, the time-based earn out payments are expensed and recognized during the post-acquisition requisite service period.

c) Foreign currency translation

(i) Functional and presentation currency

The Company's consolidated combined financial statements are presented in Canadian dollars.

(ii) Transactions in foreign currency

Foreign currency transactions for each entity are translated into the functional currency using the exchange rates prevailing at the dates of the transactions (or using the average rate for the period when this is a reasonable approximation). Period end balances of monetary assets and liabilities denominated in currencies other than an entity's functional currency are translated into the entity's functional currency using period end foreign currency rates. Foreign exchange gains and losses resulting from the translation or settlement of monetary assets and liabilities denominated in currencies other than an entity's functional currency are recognized in the consolidated combined statements of loss and comprehensive loss.

d) Financial instruments

A financial instrument is a contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity. Financial assets, financial liabilities and equity instruments are classified according to the substance of the contractual arrangements and the definitions of these elements under IAS 32 "Financial instruments: Presentation". Financial assets and financial liabilities, including derivatives, are recognized in the consolidated combined statement of financial position when the Company becomes a party to the contractual provisions of the financial instrument. On initial recognition all financial instruments are recognized at fair value.

Financial instruments are subsequently measured based on their classification as follows:

- Financial instruments measured at fair value through the consolidated combined statement of loss ("FVPL");
- Financial instruments measured at fair value through other comprehensive income ("FVOCI"); or
- Financial instruments measured at amortized cost.

(i) Financial Assets

Financial assets may be classified as FVPL, FVOCI or at amortized cost depending on the entity's business model for managing the financial assets, and the contractual cash flows.

The Company measures financial assets (except for those classified as FVPL) at their fair value plus transaction costs. Transaction costs of financial assets carried at fair value through profit or loss ("FVPL") are expensed in the consolidated statement of loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the financial asset and the cash flow characteristics of the financial asset. There are three measurement categories into which the Company classifies its debt instruments:

- Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is recognized using the effective interest method. Foreign exchange gains and losses as well as any gain or loss arising on derecognition are recognized in the consolidated statement of loss.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income ("FVOCI"). Movements in the carrying amount are recorded through other comprehensive income ("OCI"), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the consolidated statement of loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to the consolidated statement of loss.
- FVPL: Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognized in the consolidated statement of loss.

Equity Instruments

Unless an election is made, the Company subsequently measures all equity investments at FVPL. When the Company has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the consolidated statement of loss following the derecognition of the investment.

Changes in the fair value of financial assets at FVPL are recognized in the consolidated combined statement of loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

The Company uses the expected credit loss model for assessing impairment of financial assets and recognises expected credit losses as loss allowances for assets measured at amortized cost or FVOCI. For accounts receivable, the Company maintains an allowance for doubtful accounts for the estimated expected credit losses resulting from the inability of its customers to make required payments. In determining the allowance, the Company considers factors such as the number of days the account is past due, whether or not the customer continues to receive service, the Company's past collection history and changes in business circumstances.

(ii) Financial Liabilities

Financial liabilities are classified as either FVPL or at amortized cost.

- FVPL: Financial liabilities carried at FVPL are initially recorded at fair value and transaction costs are expensed in the consolidated combined statement of loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial liabilities held at FVPL are generally recognized in the consolidated combined statement of loss in the period in which they arise. This includes contingent consideration in business combinations.
- Financial liabilities at amortized cost: Financial liabilities carried at amortized cost are initially recognized at fair value and subsequently carried at amortized cost using the effective interest rate method.

Preferred shares that provide for redemption at the option of the holder that give rise to a contractual obligation to deliver cash or another financial asset, or that may be settled with a variable number of the issuer's own equity instruments, are classified as financial liabilities.

e) Share-based compensation

The Company records the expense of stock-based compensation plans whereby employees and consultants may be granted awards in the form of stock options, restricted share units ("RSUs") and performance share units ("PSUs"). Stock-based compensation expense relates to the fair value of the awards being expensed over their respective vesting periods. The Company did not have its own equity incentive plan during the years ended December 31, 2024 and 2023, however employees of the Company participated in the WELL parent company equity incentive plan during those periods. The WELL equity incentive plan allows for the grant of stock options, RSUs and PSUs. WELL grants awards to WELLSTAR employees and the Company reimburses WELL and records share-based compensation expense over the relevant vesting period based on the estimated fair value of the awards at the grant date. On August 28, 2025, the Company's Board of Directors approved an Omnibus Equity Incentive Plan ("OEIP") for the Company whereby eligible employees, officers, directors and consultants may be granted awards in the form of stock-options, RSUs and PSUs.

Stock options

The fair value of stock options granted is measured using the Black-Scholes option pricing model ("BSM") on the grant date taking into account the terms and conditions upon which the options were granted. The fair value of each tranche of options is recognized as an expense on a straight-line basis over its vesting period. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options that are expected to vest.

The BSM requires management to estimate the expected volatility, the term of the equity instrument, the risk-free rate of return over the term, expected dividends, and the number of equity instruments expected to ultimately vest. In estimating expected volatility, the Company considers the historical share price volatility of its common shares.

RSUs and PSUs

The fair value of RSUs and PSUs that contain performance conditions is measured based on the closing price of WELL's common shares on the date of grant. The fair value of each tranche of RSUs or PSUs granted is recognized as expense on a straight-line basis over its vesting period. The fair value of RSUs/PSUs is charged to profit or loss with a corresponding increase in contributed surplus within equity. The amount recognized as an expense is based on the estimate of the number of awards expected to vest, which is revised if subsequent information indicates that actual forfeitures are likely to differ from the estimate.

f) Revenue recognition

The Company recognizes revenue from contracts with customers by applying the following steps:

- Identification of the contract, or contracts, with customers;
- Identification of the performance obligations in the contract;

- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract; and
- Recognition of revenue when or as the Company satisfies the performance obligations and has the right to payment.

Revenue for each performance obligation is recognized either over time or at a point in time. For performance obligations satisfied over time, revenue is recognized as the services are provided or rateably over the contractual term. Revenue for performance obligations satisfied at a point in time is recognized when control of the item or service transfers to the customer. Determining when a performance obligation has been satisfied requires judgment. The Company believes that the revenue recognition methods described below faithfully depict the transfer of the services and the satisfaction of performance obligations. Where a contract contains multiple performance obligations, the transaction price is allocated based on the relative stand-alone selling prices ("SSP") of the individual components. All revenue is recorded at the amount received or receivable from customers.

See Note 5 for a breakdown of the Company's revenue from contracts with customers. See Note 8 for the Company's balance of accounts receivable, all of which is attributable to revenue generated from contracts with customers. When payments are received from customers in advance of performance obligations being satisfied, amounts are recorded as deferred revenue (Note 12) on the consolidated combined statement of financial position.

Subscriptions and Ongoing Support Services

The Company provides subscriptions that grant customers access to its software and platforms. These subscriptions represent stand-ready obligations, as access to the platform is made continuously available throughout the contract period. Revenue is recognized over time, ratably, over the term of the contract.

The Company also provides ongoing support services including automated reporting and practice assistance which are delivered on a recurring basis. These services are treated as a series of distinct performance obligations that share the same pattern of transfer. Revenue is recognized over time, ratably, over the term of the contract.

In addition, the Company offers billing-as-a-service arrangements, which may be structured as either flat-fee or percentage-of-billing contracts.

- Flat fee arrangements are accounted for as a series of distinct services with the same pattern of transfer. Revenue is recorded over time, ratably, over the term of the contract.
- Percentage-of-billing arrangements entitle the Company to consideration based on successful billing submissions. Revenue is recognized at the point in time when billings are verified, and the Company has an enforceable right to payment.

Professional Services and Other Revenues

Professional services include implementation, training, strategic consulting, and product customization. These services are typically billed either on a fixed-fee basis or based on time and materials.

Revenue from professional services is recognized over time provided that one or more of the following criteria are met (i) the customer simultaneously receives and consumes the benefits as they are performed, (ii) the services create or enhance an asset that the customer controls as the asset is created or enhanced, or (iii) the services do not create an asset with alternative use to the Company and the Company has an enforceable right to payment for the performance completed to date.

The appropriate method for measuring progress toward satisfaction of the performance obligation is determined on a contract-by-contract basis. The Company applies either an input method (e.g. costs incurred or hours worked) or an output method (e.g. milestones achieved) depending on which best reflects the transfer of control to the customer. Consistent methods are applied to similar types of performance obligations.

g) Research and Development

Research costs are expensed in the period incurred. Development costs are capitalized and recorded as an intangible asset when certain criteria are met, most notably when the intangible asset is identifiable and controlled by the Company, technical feasibility of completing the asset has been established, and it is considered probable that the Company will generate future economic benefits from the asset created upon completion of development. The costs capitalized include directly attributable salaries and benefits, consulting costs and overhead expenditures. All other development costs are expensed in the period incurred.

h) Government Assistance and Investment Tax Credits

Government assistance includes government grants and investment tax credits and is recognized when there is reasonable assurance that the Company will comply with the relevant conditions and that the government assistance will be received. Government assistance that meets the recognition criteria and that relates to current expenses is recorded as a reduction of the related expenses in general and administration expenses. Government assistance that meets the recognition criteria and that relates to the acquisition of an asset is recorded as a reduction of the cost of the related asset.

i) Provisions and contingent liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are measured at the best estimate of the present value of the expenditures expected to be required to settle the obligation. Where the effect of discounting is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Contingent liabilities are liabilities of uncertain timing or amount and are not recognized until the Company has a present obligation as a result of a past event, it is probable that the Company will experience an outflow of resources embodying economic benefits to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The Company discloses contingent liabilities unless the possibility of an outflow of resources in settlement is remote.

j) Income taxes

Income tax is comprised of current and deferred tax. Income tax is recognized in the consolidated combined statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in other comprehensive loss or directly in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

In general, deferred tax is recognized in respect of deferred tax consequences attributable to unused tax loss carry-forwards, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. However, the following temporary differences do not result in deferred tax assets or liabilities:

- the initial recognition of assets or liabilities, not arising in a business combination, that do not affect accounting or taxable profit;
- goodwill; and
- investments in subsidiaries, branches and associates, and interests in joint arrangements where the timing of reversal of the temporary differences can be controlled and reversal in the foreseeable future is not probable.

Deferred income tax assets and liabilities are presented as non-current and are determined on an undiscounted basis.

k) Property and equipment

Property and equipment are measured at cost, less accumulated depreciation and impairment losses. Cost includes any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation expense is calculated using the straight-line method to allocate the cost of the assets net of residual values over their estimated useful lives as follows:

- | | |
|--------------------------|--|
| • Computer equipment | 3 years |
| • Furniture and fixtures | 5 years |
| • Right-of-use assets | Term of the right of use plus renewal options |
| • Leasehold improvements | Shorter of useful life or assessed term of lease |

l) Intangible assets

The Company's intangible assets arise from business combinations and asset acquisitions and consist of customer relationships (including professional services agreements), brands, technology and goodwill. Intangible assets with finite lives are amortized on a straight-line basis over their estimated useful lives and are measured at cost less accumulated amortization and accumulated impairment losses.

Intangible assets other than goodwill are amortized over the following periods:

- | | |
|--------------------------|---------------|
| • Customer relationships | 10 - 15 years |
| • Brands | 4 - 10 years |
| • Technology | 5 - 10 years |

Goodwill is measured at cost less accumulated impairment losses.

Goodwill and intangible assets with indefinite lives are tested for impairment at least annually. Goodwill, intangible assets with indefinite or finite lives, property and equipment are also tested for impairment whenever events or changes in circumstances indicate that the asset's carrying amount may be less than its recoverable amount.

For impairment testing, non-financial assets that do not generate independent cash flows are grouped together into cash-generating units ("CGUs"), which represent the level at which largely independent cash flows are generated. Goodwill is allocated to CGUs or groups of CGUs based on the level at which it is monitored for internal reporting purposes.

An impairment loss is recognized in earnings to the extent that the carrying value of an asset, CGU or group of CGUs exceeds its estimated recoverable amount. The recoverable amount of an asset, CGU or group of CGUs is the greater

of its value in use and its fair value less cost to sell. Value in use is calculated as the present value of the estimated future cash flows discounted at appropriate discount rates.

An impairment loss relating to a specific asset reduces the carrying value of the asset. An impairment loss relating to a CGU or group of CGUs first reduces the carrying value of the goodwill allocated to the CGU or group of CGUs, then reduces the carrying value of the other assets of the CGU or group of CGUs on a pro-rata basis. An impairment loss in respect of goodwill is not reversed. A previously recognized impairment loss relating to other non-financial assets is assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss related to non-financial assets other than goodwill is reversed if there is a subsequent increase in recoverable amount, but only to the extent of the carrying value that would have been determined, net of depreciation or amortization, if no impairment had been recognized.

m) Leases

At the inception of a lease contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right of control of the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset; (ii) the Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period, and; (iii) the Company has the right to direct the use of the asset.

Leases – the Company as a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The Company presents right-of-use assets ("ROUs") in property and equipment. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term plus expected renewal options which are available to the Company. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is reduced by impairment losses, if any identified, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate for leases.

Lease payments included in the measurement of the lease liability are comprised of: (i) fixed payments; (ii) variable lease payments that depend on an index rate, initially measured using the index as at the commencement date; (iii) amounts expected to be payable under a residual value guarantee; (iv) the exercise price under purchase option that the Company is reasonably certain to exercise; (v) lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and (vi) penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is

recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company elects, as a practical expedient, not to separate out non-lease components from lease components of a lease, and account for them as a single lease component.

The Company recognizes a depreciation charge for right-of-use assets and interest expense on lease liabilities in the consolidated combined statement of loss.

On the consolidated combined statement of cash flows, the Company includes repayments of the principal portion of the lease liabilities under financing activities. Lease payments for short-term leases, lease payment for leases of low-value assets that are not included in the measurement of the lease liability are classified as cash flows from operating activities.

n) Earnings per share

Basic earnings per share is calculated by dividing the net income available to common shareholders of the Company by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per share is calculated by adjusting basic earnings per share for the effects of all potentially dilutive instruments. Potential common shares are treated as dilutive when, and only when, their conversion to common shares would decrease earnings per share or increase the loss per share from continuing operations.

The Company has issued redeemable preferred shares that are convertible into a variable number of subordinate voting common shares of the Company at a discounted price upon certain qualifying transactions, including an initial public offering. These convertible preferred shares are considered contingently issuable shares and have been excluded from the calculation of both basic and diluted earnings per share, as the conversion condition has not been satisfied by the end of the reporting period.

o) Comparative period presentation

Presentation of expenses in the consolidated combined statement of loss

For the year ended December 31, 2025, the Company changed the classification of certain expenses in the consolidated combined statement of loss to achieve a more reliable presentation of cost of sales to customers. Comparative figures for the year ended December 31, 2024 have been reclassified to conform to the current period presentation, through the net reclassification of \$866 to cost of sales from general and administrative expenses. The reclassification had no impact on total expenses, operating income, or net income for the year ended December 31, 2024. Management believes that this revised presentation provides more relevant and reliable information to users of the financial statements.

p) Adoption of accounting standards

The IASB issued the following new accounting standards or amendments that will become effective on future dates.

IFRS 9 and IFRS 7 Amendments

On May 30, 2024, the IASB issued amendments to IFRS 9, "Financial Instruments" and IFRS 7, "Financial Instruments: Disclosures". The amendments clarify the timing of recognition and derecognition for a financial asset or financial liability, including clarifying that a financial liability is derecognized on the settlement date. In addition to these clarifications, the amendments introduce an accounting policy choice to derecognize financial liabilities settled using an electronic payment system before the settlement date, if specific conditions are met. Also included in the amendments, are clarifications regarding the classification of financial assets, including those with features linked to environmental, social and corporate governance. Under the amendments, additional disclosures are required for financial instruments with contingent features and investments in equity instruments classified at fair value through other comprehensive income. These amendments are effective for annual reporting periods beginning on or after January 1, 2026. Early adoption is permitted, with an option to early adopt only the amendments to the classification of financial assets. The Company is assessing the impacts of the IFRS 9 and IFRS 7 amendments and the adoption of the amendments is not expected to have a material impact on its audited annual consolidated combined financial statements.

IFRS 18

On April 9, 2024, the IASB issued IFRS 18 "Presentation and Disclosures in Financial Statements". The objective of the new standard is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The new standard is effective for reporting periods beginning on or after January 1, 2027. The Company is assessing the impacts of IFRS 18 on its consolidated combined financial statements.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and assumptions and applies judgments in the application of its accounting policies when preparing the consolidated combined financial statements. The resulting accounting estimates will, by definition, rarely equal the related actual results. The accounting policies subject to judgments and estimation uncertainty that the Company believes have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are summarized as follows:

Impairment testing of goodwill and other intangible assets

The Company tests at least annually whether goodwill and indefinite lived intangibles have suffered any impairment, in accordance with the requirements of IAS 36, "Impairment of Assets". The recoverable amounts of cash-generating units ("CGUs") or groups of CGUs are determined based on the greater of their fair value less costs of disposal and value in use. These calculations, which include a discounted cash flow model, require the use of estimates.

For the purposes of impairment testing, assets are grouped into CGUs that have been identified as being the smallest identifiable group of assets that generate cash inflows that are independent of cash inflows of other assets or groups of assets. The determination of these CGUs and the allocation of goodwill to CGUs or groups of CGUs is based on management's judgment with regards to organizational structure, shared resources and infrastructure, geographical proximity, product type and other relevant factors.

Value in use calculations require management to make certain assumptions, including significant estimates about forecasted revenue levels and growth rates, operating margins, and discount rates. In arriving at its forecasts, the Company considered historical performance, current industry trends, and market opportunities.

Business combinations

On the completion of business acquisitions, management's judgment is required to estimate the fair value of purchase consideration and to identify and estimate the fair values of assets, liabilities, and non-controlling interests. The determination of the fair value of assets and liabilities acquired is based on management's estimates using the

excess earnings method and relief from royalty method to value intangible assets using discounted cash flow models. Significant assumptions include revenue growth rates, customer attrition and discount rates.

Recognition of contingent consideration

In certain acquisitions, the purchase consideration transferred by the Company may include contingent consideration which is subject to the acquired business achieving certain performance targets. At the date of acquisition and at each subsequent reporting period, the Company estimates the future performance of acquired businesses, which are subject to contingent consideration, in order to assess the probability that the acquired business will achieve its performance targets and thus earn its contingent consideration. Any change in the fair value of the contingent consideration classified as either a deferred acquisition cost liability at the date of acquisition or as a time-based earn out recognized as expense over time during the post-acquisition requisite service period is included in net income or loss in the period that the change is determined. Changes in fair value arise as a result of various factors, including the estimated probability of the acquired business achieving its earnings targets.

Revenue recognition

The Company recognizes revenue in accordance with IFRS 15, "Revenue from Contracts with Customers". Significant judgments and estimates are required when identifying distinct performance obligations, allocating transaction price amongst performance obligations, estimating usage when transaction prices include fixed and variable consideration, and assessing progress toward completion when recognizing revenue over time. Changes in these judgments and estimates could impact the timing and amount of revenue recognized.

Fair value of financial instruments

The Company uses various valuation methodologies when estimating the fair value of its financial assets and financial liabilities. Fair values are based on quoted market prices where available from active markets, otherwise fair values are estimated using internal and external valuation models including discounted cash flow analysis, option pricing models and other models, as applicable. Fair values determined using valuation models require the use of estimates and assumptions concerning the amount and timing of estimated future cash flows, discount rates, credit risk, and other factors. In determining these assumptions, the Company uses primarily external, readily observable market inputs, including share prices, interest rates, credit spreads and historical share price volatilities, as applicable. Assumptions or inputs that are not based on observable market data are used when external data are unavailable.

5. REVENUE

The following table shows the details of revenues for the years ended December 31, 2025 and 2024:

<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
Subscriptions and support services	60,048	40,054
Professional services and other	12,179	4,662
	72,227	44,716

All of the Company's revenue is attributable to Canada, the entity's country of domicile.

6. GENERAL AND ADMINISTRATIVE EXPENSES

The following table shows the details of general and administrative expenses for the years ended December 31, 2025 and 2024:

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<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
Salaries and benefits	25,912	18,245
Professional and consulting fees	8,604	4,836
Information technology	2,555	1,735
Office expenses	1,033	915
Marketing and promotion	535	582
Other	1,013	663
Government grants and assistance	(2,145)	(1,508)
	37,507	25,468

7. INTEREST INCOME AND INTEREST EXPENSE

The following table shows a breakdown of interest income and expense for the years ended December 31, 2025 and 2024:

<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
Interest income on cash	(798)	—
Interest income on related party loan (Note 20)	(338)	—
Interest income	(1,136)	—
Interest on redeemable preferred shares (Note 16(a))	8,654	409
Interest accretion on leases (Note 14)	65	82
Accretion of discount on deferred acquisition costs (Note 13)	119	18
Other	3	1
Interest expense	8,841	510

8. ACCOUNTS AND OTHER RECEIVABLES

The following table shows the details of the Company's accounts and other receivables as at December 31, 2025 and December 31, 2024:

<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
Total gross accounts and other receivables	9,049	6,294
Less: expected credit losses	(441)	(176)
Accounts and other receivables	8,608	6,118

The Company evaluates credit losses on a periodic basis based on the aging and collectability of its accounts receivable. As at December 31, 2025, the Company recognized expected credit losses of \$441 (December 31, 2024 - \$176), which have been recorded as a reduction of accounts receivable. The expected lifetime credit loss provision for trade receivables is based on historical counterparty default rates and is adjusted for relevant forward-looking information as required.

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

<i>(in thousands of Canadian dollars)</i>	Equity Investments		Other financial assets		Total
	Longevity AI i)	WaiveTheWait ii)	Mutuo call option iii)	Mutuo warrants iv)	
Balance at December 31, 2024	—	—	—	—	—
Additions	1,432	280	—	—	1,712
Acquired via business combinations (Note 22)	—	—	796	201	997
Changes in fair value	—	—	1,282	122	1,404
Balance at December 31, 2025	1,432	280	2,078	323	4,113

Financial asset investments include equity and derivative instruments and are measured at fair value through profit and loss ("FVPL"). The Company uses various fair value techniques to estimate the fair value of these investments. During the year ended December 31, 2025, the change in fair value of \$1,404 (2024 - \$nil) has been recognized in the consolidated combined statement of loss and comprehensive loss, respectively.

i) Longevity AI Ltd. ("Longevity AI")

The Company has invested in Preferred Seed Shares of Longevity AI Ltd., a company which has developed an AI based tool for converting patient information into personalized longevity plans.

ii) WaiveTheWait Inc. ("WaiveTheWait")

The Company has, through a Simple Agreement for Future Equity ("SAFE"), invested in the right to receive equity when WaiveTheWait Inc. raises future financing under the terms of an automatic conversion feature. In a liquidation event, the Company is entitled to receive the greater of the purchase price or a number of common shares based on a conversion formula and ranks junior to payment of other outstanding indebtedness, on par with other SAFE or Preferred Share investments and senior to common shares. WaiveTheWait has developed a smart tool to streamline administration.

iii) Mutuo Health Solutions ("Mutuo") call option

The sale and purchase agreement ("SPA") between Mutuo and the Company (Note 22) included a call option to purchase the remaining ownership interest in Mutuo for the greater of a designated price and a multiple of the trailing gross profit. The per share FMV that is defined in the SPA to be (i) up to the first anniversary of the SPA the greater of: (a) \$15,000 and (b) 7.5 times the trailing gross profit, (ii) from the day following the first anniversary until the second anniversary of the SPA, the greater of: (a) \$22,500 and (b) 6.25x the trailing gross profit, (iii) from the date following the second anniversary until the third anniversary of the SPA the greater of (a) \$30,000 and (b) 5 times the trailing gross profit. The duration of the call option period is three years. During the call option period, the Company will have the right but not the obligation to exercise the call option.

On November 1, 2025, as part of applying predecessor accounting for the acquisition, the Company recognized a financial asset of \$796, being the carrying value of the call option on HEALWELL's consolidated statement of financial position on the acquisition date. The Company subsequently measured the fair value of the call option using the Black-Scholes option pricing model. During the period November 1, 2025 to December 31, 2025, the change in fair value of \$1,282 has been recognized in the statement of loss and comprehensive loss resulting in a carrying value of \$2,078 on the Company's consolidated combined statement of financial position as at December 31, 2025. The Company delivered a binding notice of intention to exercise the call option on February 20, 2026 (Note 24).

iv) Mutuo warrants

The sale and purchase agreement between Mutuo and the Company (Note 22) included an executed subscription agreement for 1,326,260 warrants which entitle the Purchaser to subscribe to additional shares of Mutuo at an exercise price of \$0.754 per warrant share. Each warrant share represents one share of Mutuo.

On November 1, 2025, as part of applying predecessor accounting for the acquisition, the Company recognized a financial asset of \$201, being the carrying value of the warrants on HEALWELL's consolidated statement of financial position on the acquisition date. The Company subsequently measured the fair value of the warrants using the Black-Scholes option pricing model. During the period November 1, 2025 to December 31, 2025, the change in fair value of \$122 has been recognized in the statement of loss and comprehensive loss resulting in a carrying value of \$323 on the Company's consolidated combined statement of financial position as at December 31, 2025. The warrants were exercised on February 20, 2026 (Note 24).

10. PROPERTY AND EQUIPMENT

<i>(in thousands of Canadian dollars)</i>	Computer equipment	Furniture and fixtures	Leasehold improvements	Right-of-use assets	Total
COST					
Balance as at January 1, 2024	501	21	10	3,701	4,233
Additions	154	20	6	1,163	1,343
Disposals/retirements	(8)	—	—	—	(8)
End of lease/Early terminations	—	—	—	(2,224)	(2,224)
Balance as at December 31, 2024	647	41	16	2,640	3,344
Additions	274	259	21	231	785
Acquired via business combinations (Note 22)	9	53	—	—	62
End of lease/Early terminations	—	—	—	(747)	(747)
Balance as at December 31, 2025	930	353	37	2,124	3,444
ACCUMULATED DEPRECIATION					
Balance as at January 1, 2024	172	20	—	1,607	1,799
Depreciation for the period	129	3	—	1,412	1,544
Disposals/retirements	(8)	—	—	—	(8)
End of lease/Early terminations	—	—	—	(1,938)	(1,938)
Balance as at December 31, 2024	293	23	—	1,081	1,397
Depreciation for the period	217	43	7	591	858
End of lease/Early terminations	—	—	—	(747)	(747)
Balance as at December 31, 2025	510	66	7	925	1,508
NET CARRYING AMOUNTS					
As at December 31, 2024	354	18	16	1,559	1,947
As at December 31, 2025	420	287	30	1,199	1,936

The Company had the following classes of right-of-use assets as at December 31, 2025 and 2024. Net book values and depreciation amounts by class for the years ended December 31, 2025, and 2024 are as follows:

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<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
Office premises	1,199	1,523
Computer hardware	—	36
Net book value	1,199	1,559

<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
Office premises	925	962
Computer hardware	—	119
Accumulated depreciation	925	1,081

11. INTANGIBLE ASSETS AND GOODWILL

<i>(in thousands of Canadian dollars)</i>	Customer relationships	Technology & Other	Brands	Intangibles Total	Goodwill
COST					
Balance as at January 1, 2024	30,704	5,814	1,521	38,039	44,650
Acquired via business combinations (Note 22)	11,140	3,681	2,371	17,192	12,423
Additions	—	2,316	—	2,316	—
Balance as at December 31, 2024	41,844	11,811	3,892	57,547	57,073
Acquired via business combinations (Note 22)	2,568	2,599	898	6,065	7,829
Additions	—	4,271	—	4,271	—
Balance as at December 31, 2025	44,412	18,681	4,790	67,883	64,902
ACCUMULATED AMORTIZATION					
Balance as at January 1, 2024	11,321	1,269	317	12,907	—
Amortization for the period	3,163	632	172	3,967	—
Balance as at December 31, 2024	14,484	1,901	489	16,874	—
Acquired via business combinations (Note 22)	25	492	30	547	—
Amortization for the period	4,202	1,236	432	5,870	—
Balance as at December 31, 2025	18,711	3,629	951	23,291	—
NET CARRYING AMOUNTS					
As at December 31, 2024	27,360	9,910	3,403	40,673	57,073
As at December 31, 2025	25,701	15,052	3,839	44,592	64,902

The Company tests goodwill for impairment on an annual basis as at September 30 and whenever events or changes in circumstances indicate that an asset's carrying amount may be less than its recoverable amount. For the purpose of impairment testing, goodwill is allocated to groups of CGUs consistent with the level at which goodwill is monitored for internal purposes, as follows:

CGU Group	Operations
Electronic Medical Records ("EMR")	Primary care and specialist based EMR platform SaaS solutions
Billing and Practice Management	Automated billing management, revenue optimization, IT security solutions and services
Digital Applications ("Digital Apps")	AI-enabled applications for automated day-to-day clinical tasks

For impairment tests performed as at September 30, 2025 and September 30, 2024, the recoverable amount of each group of CGUs was determined based on its value-in-use using a discounted cash flow approach. Discounted cash flows were based on five-year cash flow projections derived from financial budgets or forecasts approved by management using the following key assumptions:

a) Average annual revenue growth rate

The average annual revenue growth rate for each group of CGUs was estimated based on historical growth and management's expectations of market development.

b) Discount rate

The discount rate for each group of CGUs was determined by estimating a weighted average cost of capital reflecting the time value of money and risks associated with the business.

c) Terminal growth rate

The terminal growth rate is based on management's current assessment of the long-term growth outlook for each group of CGUs and expected economic conditions in the jurisdiction in which it operates.

Impairment tests as at September 30, 2025

The carrying values of goodwill and indefinite life intangible assets as well as key assumptions used for each group of CGUs for the impairment tests performed as at September 30, 2025 were as follows:

<i>(in thousands of Canadian dollars)</i>					
CGU Group	Carrying value of the CGU group	Carrying value of goodwill in the CGU group	Average annual revenue	Discount rate	Terminal growth rate
EMR	45,458	29,312	6.0 %	9.9 %	3.0 %
Billing and Practice Management	25,107	15,692	8.3 %	9.9 %	3.0 %
Digital Apps	20,341	12,069	19.2 %	9.9 %	3.0 %
	90,906	57,073			

1) Impairment test results:

The Company did not recognize an impairment loss related to goodwill or intangible assets in 2025 as the recoverable amounts of the Company's groups of CGUs, as applicable, exceeded their carrying values.

2) Sensitivity analysis:

For the impairment tests performed as at September 30, 2025, the Company determined that a reasonably possible change in each key assumption, including possible consequential changes between key assumptions, would not result in an impairment loss.

Impairment tests as at September 30, 2024

The carrying values of goodwill and indefinite life intangible assets as well as key assumptions used for each group of CGUs for the impairment tests performed as at September 30, 2024 were as follows:

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<i>(in thousands of Canadian dollars)</i>					
CGU Group	Carrying value of the CGU group	Carrying value of goodwill in the CGU group	Average annual revenue growth rate	Discount rate	Terminal growth rate
EMR	32,147	20,312	8.9 %	10.1 %	3.0 %
Billing and Practice Management	14,603	12,269	7.0 %	10.1 %	3.0 %
Digital Apps	11,947	12,069	22.1 %	10.1 %	3.0 %
	58,697	44,650			

1) Impairment test results:

The Company did not recognize an impairment loss related to goodwill or intangible assets in 2024 as the recoverable amounts of the Company's groups of CGUs, as applicable, exceeded their carrying values.

2) Sensitivity analysis:

For the impairment tests performed as at September 30, 2024, the Company determined that a reasonably possible change in each key assumption, including possible consequential changes between key assumptions, would not result in an impairment loss.

12. DEFERRED REVENUE

<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
Balance, beginning of period	1,977	2,929
Acquired via business combinations (Note 22)	314	—
Billings	19,496	18,052
Revenue recognized	(19,060)	(19,004)
Balance, end of period	2,727	1,977

13. DEFERRED ACQUISITION COSTS

Deferred acquisition costs are liabilities estimated for earn out payments triggered on the achievement of specified targets agreed at the time of, and treated as purchase consideration for, business combinations and asset acquisitions (Note 22).

<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
Balance, beginning of period	2,080	772
Additions via business combinations (Note 22)	2,400	2,080
Interest accretion	119	18
Payments made in the period	(1,000)	—
Settlement by net parent investment	—	(790)
Balance, end of period	3,599	2,080
Current	2,628	1,188
Non-current	971	892
Balance, end of period	3,599	2,080

14. LEASES

The Company's lease liability as at December 31, 2025 and 2024 was as follows:

<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
Current	540	399
Non-current	776	1,282
Total lease liability	1,316	1,681

The Company leases various office spaces for its operations and subleases its excess office spaces to subtenants. The Company also leases computer related equipment. Lease contracts are typically made for fixed periods of 2 to 8 years but may have extension options ranging from 3 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

As at December 31, 2025, the Company had rental contracts for 5 properties (2024 – 7), with an average remaining life to expiry (including extension term) of 5.3 years (2024 – 2.5 years). As at December 31, 2024, the Company had leases for physical servers with an average term of 1.1 years with an average remaining life of 0.25 years to the end of lease.

Interest expense on lease liabilities is recognized in the consolidated combined statements of loss, and lease payments are recognized as financing activities in the consolidated statements of cash flows as follows:

<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
Balance, beginning of period	1,681	2,161
New leases	231	1,163
Early termination	—	(282)
Interest accretion	65	82
Lease cash payments	(661)	(1,443)
Balance, end of period	1,316	1,681

During the year ended December 31, 2025, the Company recognized \$591 (2024 - \$1,412) of depreciation expense related to right-of-use assets – see Note 10 for further information.

As at December 31, 2025, the minimum rent payments under lease liabilities were as follows:

<i>(in thousands of Canadian dollars)</i>	
Not later than one year	587
Later than one year and not later than five years	806
Beyond 5 years	—
	1,393

WELLSTAR TECHNOLOGIES CORP.

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15. OTHER LIABILITIES

<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
Working capital holdbacks	1,607	1,743
Income tax payable	1,660	424
Time-based earnout liabilities	4,725	3,249
Payroll liabilities and others	2,140	569
	10,132	5,985

16. REDEEMABLE PREFERRED SHARES AND WARRANT LIABILITY

The following table summarized the outstanding redeemable preferred shares of the Company:

	Series A Redeemable Preferred Shares		Series B Redeemable Preferred Shares		Total
	Shares Issued	Amount \$'000	Shares Issued	Amount \$'000	Amount \$'000
Balance at January 1, 2024	—	—	—	—	—
Proceeds on issuance	50,377,500	50,378	—	—	50,378
Transaction costs	—	(3,318)	—	—	(3,318)
Interest expense	—	409	—	—	409
Balance at December 31, 2024	50,377,500	47,469	—	—	47,469
Proceeds on issuance	—	—	41,352,598	62,029	62,029
Transaction costs	—	—	—	(4,800)	(4,800)
Interest expense	—	8,058	—	596	8,654
Balance at December 31, 2025	50,377,500	55,527	41,352,598	57,825	113,352

a) Series A and Series B Preferred Shares

On December 11, 2024, the Company issued 50,377,500 Series A Preferred Shares for gross proceeds of \$50,378 (net proceeds of \$47,645 after cash issuance costs) and 2,285,375 broker warrants with a term of two years entitling holders to acquire 2,285,375 Series A Preferred Shares at an exercise price of \$1.00 per share. On December 5, 2025, the Company issued 41,352,598 Series B Preferred Shares for gross proceeds of \$62,029 (net proceeds of \$57,832 after cash issuance costs) and 1,770,000 broker warrants with a term of two years entitling holders to acquire 1,770,000 Series B Preferred Shares at an exercise price of \$1.50 per share.

The Series A and Series B preferred shares (collectively, the "Preferred Shares") are redeemable at the option of the holders for a fixed return at any time after December 31, 2026. If a holder exercises the redemption option, WELL has a call right to purchase the Preferred Shares and the holder has a put right to require the Company to purchase the Preferred Shares at a price equal to the holder's redemption price. The Preferred Shares automatically convert into a variable number of subordinate voting shares of the Company at a discounted price upon a qualifying initial public offering or reverse takeover public listing, or alternative liquidity transaction. The Preferred Shares are entitled to quarterly dividends commencing January 1, 2026 at an increasing rate over time. The dividends will accrue as notional preferred shares until the occurrence of a liquidity event, redemption or other liquidation event in accordance with the terms of the Preferred Shares.

The Preferred Shares have been classified as a liability in the consolidated combined statement of financial position due to the redemption feature at the option of the holders and other terms that result in the instrument meeting the

definition of a financial liability and are subsequently being measured at amortized cost using the effective interest method.

b) Series A and Series B Preferred Shares Broker Warrant Liability

The broker warrants issued in connection with the Series A and Series B Preferred Shares have been classified as a financial liability on the consolidated combined statement of financial position consistent with the classification of the underlying Series A and Series B Preferred Shares and are being accounted for as issuance costs. The warrant liabilities for Series A and Series B have been initially recognized at \$585 and \$603, respectively, being the fair value at issuance date and are subsequently being measured at fair value through profit and loss ("FVPL") at each reporting date and are recorded as other expenses. Fair value is estimated using the Black-Scholes option pricing model with inputs including share price, volatility, risk-free interest rate and time to maturity.

	Warrants	Amount \$'000
Balance at January 1, 2024	—	—
Fair value of warrants in connection with Series A Preferred Shares	2,285,375	585
Changes in fair value	—	—
Balance at December 31, 2024	2,285,375	585
Fair value of warrants in connection with Series B Preferred Shares	1,770,000	603
Changes in fair value	—	(5)
Balance at December 31, 2025	4,055,375	1,183

Broker Warrants Related Preferred Share Issuance	Exercise price \$	Warrants outstanding	Options exercisable	Weighted average remaining contractual life (years)
Series A	\$ 1.00	2,285,375	2,285,375	0.9
Series B	\$ 1.50	1,770,000	1,770,000	1.9

17. INCOME TAXES

a) Income tax expense comprises the following:

	Years ended	
	December 31 2025	December 31 2024
<i>(in thousands of Canadian dollars)</i>		
Current tax expense:		
Current period	3,151	1,112
Adjustment for prior periods	43	(5)
	3,194	1,107
Deferred tax recovery:		
Origination and reversal of temporary differences	(2,180)	(871)
Change in recognition of tax losses and deductible temporary differences	341	—
	(1,839)	(871)
Income tax expense	1,355	236

b) Income tax rate reconciliation

Reported income tax expense differs from the amount computed by applying the combined Canadian federal and provincial income tax rates to loss before income tax due to the following:

<i>(in thousands of Canadian dollars)</i>	Years ended	
	December 31 2025	December 31 2024
Loss before income tax	(4,840)	(3,727)
Canadian statutory income tax rate	27%	27%
Expected income tax recovery on loss before tax	(1,307)	(1,006)
Adjusted for the effects of:		
Derecognition of tax benefits	1,463	17
Share-based compensation expense	364	—
Other items not includable or deductible for tax purposes	1,330	1,876
Effects of tax rate changes	(48)	(22)
Change in fair value of investments	(379)	—
Adjustments for prior periods and other	(49)	(334)
Other items	(19)	(295)
Income tax expense	1,355	236

c) Recognized deferred tax assets (liabilities)

As at December 31, 2025, the Company had net recognized deferred tax (liabilities) assets related to its operations. The Company has recorded deferred income tax assets as it is probable that the benefits of these assets will be realized. Movement in the deferred tax balances is recorded in the consolidated combined statements of loss and in business combinations as described in Note 22. The following table summarizes the Company's recognized deferred tax (liabilities) assets As at December 31, 2025 and 2024:

<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
Deferred tax assets:		
Non-capital loss carry forwards	1,170	549
Property and equipment	233	187
ROU assets and lease liabilities	32	46
Deferred tax liabilities:		
Intangible assets	(10,174)	(10,566)
Net deferred tax liabilities	(8,739)	(9,784)

d) Unrecognized deferred tax assets

As at December 31, 2025, the Company also had unrecognized deferred tax assets related to its operations. These deferred tax assets have not been recognized in the consolidated statements of financial position because of the significant uncertainty regarding whether such benefits will be realized. The following table summarizes the Company's deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets were recognized as at December 31, 2025 and December 31, 2024:

<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
Non-capital loss carry forwards	909	3,401
Financing costs	5,434	2,733
Unrecognized deferred tax assets	6,343	6,134

e) Non-capital losses

The Company has operating losses which are available to reduce future year's taxable income in their respective country. The Company's recognized and unrecognized non-capital loss carry forwards expire as follows:

(in thousands of Canadian dollars)

Year of Expiry	Canada
2033	121
2034	130
2035	135
2036	73
2037	206
2038	176
2039	269
2040	379
2041	1,651
2042	1,850
2043	258
2044	493
2045	2,077
Total	7,818

18. SHARE CAPITAL
a) Authorized

The authorized share capital of the Company consists of an unlimited number of Multiple Voting Shares without par value, an unlimited number of Subordinate Voting Shares without par value and an unlimited number of preferred shares without par value.

b) Issued

	Common Shares	Multiple Voting Shares	Subordinate Voting Shares	Amount \$'000
Balance at October 18, 2024	100	—	—	—
Share exchange transaction with WELL Health	(100)	1	—	—
Shares issued in Reorganization	—	249,720,000	—	249,720
Shares issued in acquisition of BlueBird (Note 22)	—	—	3,896,400	2,633
Balance at December 31, 2024	—	249,720,001	3,896,400	252,353
Shares issued in acquisition of NCI (Note 22)	—	—	77,582	117
Balance at December 31, 2025	—	249,720,001	3,973,982	252,470

On October 18, 2024, the date of incorporation of the Company, the issued and outstanding share capital of the Company consisted of 100 Common Shares without par value.

On December 6, 2024, the Company completed a share exchange transaction whereby the Company's sole shareholder, WELL, exchanged its 100 Common Shares for 1 Multiple Voting Share. Immediately following the share exchange transaction on December 6, 2024, the Company completed a business combination transaction with WELL whereby it acquired a 100% interest in the Predecessor Entities in exchange for 249,720,000 Multiple Voting Shares of the Company.

On December 11, 2024, the Company issued 3,896,400 Subordinate Voting Shares as part of purchase consideration for the 51% acquisition of BlueBird iT Solutions Inc ("BlueBird") (Note 22).

On October 28, 2025, the Company issued 77,582 Subordinate Voting Shares as part of purchase consideration for the remaining 49% ownership in Doctor Services Group Inc. ("DSG") (Note 22).

c) Capital Risk Management

The Company's objectives in managing capital are to ensure sufficient liquidity to pursue its strategy of organic growth combined with strategic acquisitions and to provide returns to its shareholders. The Company manages its capital with the objective of ensuring that there are adequate capital resources while maximizing the return to shareholders through the optimization of the debt and equity balance. The capital structure of the Company consists of cash, redeemable preferred shares and the components of shareholders' equity including retained earnings and share capital. The Company is not subject to any externally imposed capital requirements.

The Company makes adjustments to its capital structure in light of general economic conditions, the risk characteristics of the underlying assets and the Company's working capital requirements and business strategy.

19. SHARE-BASED PAYMENTS

On August 28, 2025, the Company's Board of Directors approved an Omnibus Equity Incentive Plan ("OEIP") for the Company whereby eligible employees, officers, directors and consultants may be granted awards in the form of (1) stock options exercisable to purchase the Company's subordinate voting shares and (2) RSUs and PSUs that convert automatically into the Company's subordinate voting shares upon vesting. On October 21, 2025, the Company's Board of Directors authorized a grant of 2,200,776 RSUs and 3,452,645 PSUs under the OEIP to certain directors, officers, employees and consultants of the Company. The total estimated fair value of the RSUs and PSUs granted was \$2,201 and \$3,453, respectively, based on the estimated fair value of a subordinate voting share of the Company on the grant date. The RSUs and PSUs vest on dates ranging from May 1, 2026 to May 1, 2028.

The Company's employees also participate in WELL's equity incentive plan ("Plan") whereby eligible employees, directors and consultants may be granted awards in the form of (1) stock options exercisable to purchase WELL common shares and (2) restricted share units ("RSUs") and performance share units ("PSUs") that convert automatically into WELL common shares upon vesting.

Share-based compensation in the consolidated combined financial statements for the years ended December 31, 2025, and 2024 consists of amounts relating to stock options, RSUs and PSUs granted by the Company and WELL to the Company's employees under the respective plans. For the year ended December 31, 2024, there was also an allocation of the stock-based compensation relating to awards granted by WELL to certain members of WELL executive management who performed key management personnel services for the Company during the period.

The share-based compensation expense by plan is summarized as follows:

<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
WELL Issued Awards:		
Stock options	—	5
RSUs	608	1,303
PSUs	284	555
	892	1,863
Company Issued Awards:		
RSUs	453	—
PSUs	896	—
	1,349	—
Allocation from WELL parent for non-Company employees	—	535
Total share-based compensation expense	2,241	2,398

a) Stock Options

No stock options were granted by WELLSTAR or WELL to WELLSTAR employees during the years ended December 31, 2025 or 2024. The exercise price of each stock option was based on the fair market price of WELL common shares at the time of grant. A summary of changes to outstanding stock options was as follows:

WELL Equity Incentive Plan				
	2025		2024	
	Number of options	Weighted average exercise price \$	Number of options	Weighted average exercise price \$
Balance outstanding, beginning of period	125,000	3.25	372,500	2.06
Options exercised	—	—	(247,500)	(1.45)
Options expired	(125,000)	3.25	—	—
Balance outstanding, end of period	—	—	125,000	3.25

During the years ended December 31, 2025 and 2024, the Company recognized share-based compensation expense of \$nil and \$5 respectively, relating to stock options in the consolidated combined statements of loss.

b) Restricted Share Units ("RSUs")

During the year ended December 31, 2025, WELL granted 55,697 RSUs to WELLSTAR employees and consultants (2024 – 311,421). In addition, during the year ended December 31, 2025, the Company granted under the OEIP 2,200,776 RSUs to employees and consultants and the weighted average grant date fair value of the RSUs was \$1.00 per unit based on the market value of the Company's shares on the grant date.

A summary of changes to the number of outstanding RSUs was as follows:

	WELL Equity Incentive Plan		WELLSTAR Issued Awards		Total	
	2025	2024	2025	2024	2025	2024
	Number of RSUs	Number of RSUs	Number of RSUs	Number of RSUs	Number of RSUs	Number of RSUs
Balance outstanding, beginning of period	494,689	554,212	—	—	494,689	554,212
Units granted	55,697	311,421	2,200,776	—	2,256,473	311,421
Units forfeited	(76,893)	(21,165)	—	—	(76,893)	(21,165)
Units vested	(230,955)	(349,779)	—	—	(230,955)	(349,779)
Balance outstanding, end of period	242,538	494,689	2,200,776	—	2,443,314	494,689

During the years ended December 31, 2025 and 2024, the Company recognized share-based compensation expense of \$1,061 and \$1,303, respectively, relating to RSUs in the consolidated combined statements of loss.

c) Performance Share Units (“PSUs”)

During the year ended December 31, 2025, WELL granted 40,834 (2024 – 97,364) PSUs to WELLSTAR employees and consultants. In addition, during the year ended December 31, 2025, the Company granted under the OEIP 3,452,645 PSUs to employees and consultants and the weighted average grant date fair value of the PSUs was \$1.00 per unit based on the market value of the Company's shares on the grant date.

A summary of changes to the number of PSUs was as follows:

	WELL Equity Incentive Plan		WELLSTAR Issued Awards		Total	
	2025	2024	2025	2024	2025	2024
	Number of PSUs	Number of PSUs	Number of PSUs	Number of PSUs	Number of PSUs	Number of PSUs
Balance outstanding, beginning of period	158,222	244,332	—	—	158,222	244,332
Units granted	40,834	97,364	3,452,645	—	3,493,479	97,364
Units forfeited	(26,653)	(1,227)	—	—	(26,653)	(1,227)
Units vested	(100,506)	(182,247)	—	—	(100,506)	(182,247)
Balance outstanding, end of period	71,897	158,222	3,452,645	—	3,524,542	158,222

During the years ended December 31, 2025 and 2024, the Company recognized share-based compensation expense of \$1,180 and \$555, respectively, relating to PSUs in the consolidated combined statements of loss.

20. RELATED PARTY BALANCES AND TRANSACTIONS

a) Related party balances and transactions with management

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel consists of the Company's Board of Directors, the Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”).

The Company's Board of Directors, CEO and CFO were appointed on December 5, 2024. For the periods prior to December 5, 2024, key management personnel services were performed by WELL parent executive management.

For the years ended December 31, 2025, the remuneration of the Company's key management personnel in the consolidated combined financial statements, including allocations, was \$1,392 (2024 - \$643) comprised of salaries and benefits of \$458 (2024 - \$108) and share-based compensation of \$934 (2024 - \$535). Such amounts include allocations, as appropriate, for key management personnel services provided by the Company's CEO and CFO as well as by WELL parent executive management for time spent on the Company's activities. There was no compensation paid to the Company's Board of Directors for the period December 5, 2024 to December 31, 2025.

On December 11, 2024, the Company issued Series A Preferred Shares to certain members of key management personnel for gross proceeds of \$1,450.

On December 5, 2025, the Company issued Series B Preferred Shares to certain members of key management personnel for gross proceeds of \$1,820.

b) Related party balances and transactions with WELL

For the years ended December 31, 2025 and 2024, WELL charged the Company shared service and management fees of \$4,339 for executive management, corporate development, finance, legal, marketing, information technology, human resources and risk management services based on the terms of administrative services agreements executed between the relevant legal entities (2024 - \$3,150), and for share-based compensation reimbursements of \$892 for WELL equity awards granted to the Company's employees (2024 - \$1,863). The Company has also entered into agreements with WELL and its subsidiaries to deliver or receive goods and services and recognized revenue of \$4,638 and cost of sales of \$170 for the year ended December 31, 2025, respectively (2024 - \$1,808 and \$4, respectively). The related party transactions were made on an arm's length basis.

As at December 31, 2025, the Company has a net receivable due from WELL and its subsidiaries of \$2,694 (2024 - \$1,552). The amounts have been presented as a receivable due from related parties on the Company's consolidated combined statement of financial position. In addition, as at December 31, 2025, the Company has a loan receivable balance due from WELL of \$10,083 consisting of principal outstanding of \$9,745 and accrued interest of \$338. The loan bears interest at the Bank of Canada's published overnight target rate plus 2%. The loan has no fixed repayment date unless otherwise agreed but all principal and accrued interest is due and payable immediately prior to an initial public offering of the Company.

21. INTERESTS IN SUBSIDIARIES

a) Material subsidiaries

The Company's material subsidiaries as of December 31, 2025 are set out below. Unless otherwise stated, these subsidiaries have share capital consisting solely of common shares and the proportion of ownership interests held equals the voting rights held by the Company.

Name of entity	Place of business/ country of incorporation	Ownership Interest	Ownership interest held by non-controlling interest	Principal Activities
WELLSTAR Operations Ltd.	Canada	100%	0%	EMR, billing services and Digital Health apps
Doctor Services Group Ltd. (2)	Canada	100%	0%	Billing Services
BlueBird IT Solutions Inc.	Canada	51%	49%	IT solutions and services
2355581 Ontario Inc.	Canada	100%	0%	Digital health apps
PatientSERV Corporation (3)	Canada	100%	0%	Billing Services
Mutuo Health Solutions (4)	Canada	58.66%	41.34%	Digital health apps

- (1) WELLSTAR Operations Ltd. was formed on January 1, 2025 from the amalgamation of the legal entities WELL EMR Group Inc., Microquest Inc., DoctorCare Inc. and WELL Digital Apps Inc. which were 100% owned by the Company.
- (2) The Company acquired the remaining 49% non-controlling interest on October 29, 2025.
- (3) Acquired on December 1, 2025.
- (4) Acquired a 58.66% ownership interest on November 1, 2025.

b) Non-controlling interests ("NCI")

As of December 31, 2025, the Company held a 51% interest in BlueBird iT Solutions Inc. ("BlueBird") and a 58.66% interest in Mutuo Health Solutions Inc. ("Mutuo"). As of December 31, 2024, the Company held a 51% interest in BlueBird and 51% interest in Doctors Services Group Inc. ("DSG") The NCI's share of profit or loss and net assets is presented in the consolidated combined financial statements. Summarized financial information for these NCI's held as at December 31, 2025 is presented below. The amounts disclosed are before intercompany eliminations.

Summarized balance sheets

<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
Current assets	3,599	2,253
Non-current assets	173	—
Total assets	3,772	2,253
Current liabilities	1,214	1,645
Non-current liabilities	32	66
Total liabilities	1,246	1,711
Net assets	2,526	542
Accumulated NCI	7,562	251

Summarized statements of comprehensive income

<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
Revenue	11,919	2,004
Income for the period	664	394
Other comprehensive income	—	—
Total comprehensive income	664	394
Profit allocated to NCI	351	139

For the year ended December 31, 2025, the Company allocated profit of \$488 to non-controlling interests of which \$351 related to BlueBird and Mutuo as presented in the table above and \$137 related to DSG for the period January 1, 2025 to October 28, 2025.

Summarized cash flows

<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
Cash flows from operating activities	1,384	167
Cash flows from investing activities	(31)	—
Cash flows from financing activities	—	85
Net increase in cash	1,353	252

22. BUSINESS COMBINATIONS

The Company completed multiple business combinations during the years ended December 31, 2025 and 2024.

The purchase price of these acquisitions was satisfied through, where applicable:

1. cash paid to the vendor, net of working capital adjustments;
2. fair value of common shares of the Company issued to the vendor, determined on the date of the issuance;
3. working capital/indemnification holdback; and
4. deferred acquisition costs.

Earn out obligations that are considered contingent consideration have been included in purchase consideration as deferred acquisition costs. Deferred acquisition costs are recorded as financial liabilities based on the fair value at the acquisition date are revalued at each subsequent reporting date and on settlement through earnings. Time-based earn out payment that are contingent on continued employment of the selling shareholders are excluded from purchase consideration and are expensed during the post-acquisition requisite service period.

For business combinations, the excess of the fair value of the purchase consideration over the fair values of assets and liabilities acquired is recognized as goodwill. Goodwill is attributable to the workforce, expected synergies and future profitability of the acquired businesses. The Company elected to recognize the non-controlling interests at its proportionate share of the acquired net identifiable assets, where applicable.

a) 2025 Acquisitions

The following table summarizes the fair value of the purchase consideration and the estimated fair values of assets and liabilities acquired at the acquisition dates for business combinations and asset acquisitions that occurred during the year ended December 31, 2025. The Company may adjust preliminary purchase price allocations, as necessary, up to one year after the acquisition closing date as new information is obtained about facts and circumstances that existed as of the closing date.

<i>(in thousands of Canadian dollars)</i>	PatientSERV	Mutuo	Total
Cash paid at closing	962	7,672	8,634
Working capital holdback	991	615	1,606
Deferred acquisition cost	2,278	—	2,278
Purchase consideration	4,231	8,287	12,518
Assets and liabilities acquired			
Cash	21	265	286
Financial assets at fair value through profit and loss	—	997	997
Accounts and other receivable	151	65	216
Other current assets	5	189	194
Property and equipment	57	5	62
Customer relationships	2,344	199	2,543
Technology and other	—	2,107	2,107
Brands	595	273	868
Accounts payable and accrued liabilities	(1,211)	(129)	(1,340)
Deferred revenue and other current liabilities	(576)	(314)	(890)
Deferred income taxes	(794)	—	(794)
Accumulated deficit	—	4,155	4,155
Non-controlling interests	—	(3,715)	(3,715)
Goodwill	3,639	4,190	7,829
	4,231	8,287	12,518
Total cash consideration, net of cash acquired			8,348

i) Acquisition of PatientSERV Corporation (“PatientSERV”)

On December 1, 2025, the Company acquired 100 percent of the outstanding common shares of PatientSERV Corporation (“PatientSERV”), a billing support service provider incorporated in Canada. PatientSERV provides services to help physicians manage uninsured medical services by providing technology and support for billing, payment collection, communications, and reporting. The acquisition allows the Company in conjunction with its existing platforms to be positioned as a market leader in Ontario’s uninsured billing space.

In connection with the acquisition, earn out payments of up to \$4,500 are payable, contingent on achievement of normalized EBITDA and organic revenue growth targets during a three-year period post acquisition, in addition to \$1,000 of milestone payments based on the achievement of specific objectives. The fair value of the contingent consideration at acquisition was estimated to be \$2,278 and has been included in purchase consideration.

Goodwill of \$3,639 arising from the acquisition consists largely of the synergies and economies of scale expected from combining the operations of PatientSERV and integrating the acquired technologies into the Company’s platforms. The goodwill is not deductible for tax purposes. Accounts and other receivables are reported at a gross carrying amount of \$151, net of an allowance for expected credit losses of nil.

The Company’s consolidated combined statement of loss for the year ended December 31, 2025 includes revenue and net loss for PatientSERV from the date of acquisition of \$90 and \$13 respectively.

If the acquisition of PatientSERV had occurred on January 1, 2025, pro-forma consolidated revenue and net loss for the year ended December 31, 2025 would have been \$1,701 and \$(91) respectively.

ii) Acquisition of Mutuo Health Solutions (“Mutuo”)

On November 1, 2025, the Company acquired a 58.66 percent interest in Mutuo Health Solutions Inc. (“Mutuo”) from HEALWELL AI Inc, a related party under common control, for estimated cash consideration of \$8,287 plus working capital adjustments and transaction costs. Mutuo is a Canadian health technology company and the developer of the AutoScribe platform that powers WELLSTAR’s Nexus AI Medical Scribe, that uses AI to automatically transcribe and generate clinical documentation from patient-clinician conversations.

HEALWELL’s rights under certain agreements, a call option to acquire the remaining ownership interest in Mutuo and a Strategic Alliance Agreement with Mutuo (including profit-sharing arrangements) have been assigned to the Company.

The total net assets of Mutuo as at November 1, 2025 of \$8,287 have been recorded at carrying value.

iii) Acquisition of non-controlling interest of Doctor Services Group Inc. (“DSG”)

On October 28, 2025, the Company exercised its option to acquire the 49 percent non-controlling interest of its controlled subsidiary DSG for total consideration of \$1,286 consisting of cash of \$1,047, share consideration of \$117 and deferred payments of \$122. The difference between the consideration paid and the non-controlling interest recognized on the Company’s statement of financial position as of the acquisition date of \$1,454 has been recorded within accumulated deficit in equity.

b) Prior period acquisitions

The following table summarizes the fair value of the purchase consideration and the estimated fair values of assets and liabilities acquired at the acquisition dates for business combinations and asset acquisitions that occurred during the year ended December 31, 2024. The estimated fair values were finalized without adjustment from those noted below.

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Notes to Consolidated Combined Financial Statements

<i>(in thousands of Canadian dollars)</i>	Microquest Inc.	BlueBird iT Solutions Inc.	Total
Cash paid at closing	13,300	3,293	16,593
Fair value of WELLSTAR shares issued at closing	—	2,633	2,633
Working capital holdback	841	901	1,742
Deferred acquisition cost	1,836	244	2,080
Purchase consideration	15,977	7,071	23,048
Assets and liabilities acquired			
Cash	297	66	363
Accounts receivable and other current assets	714	1,212	1,926
Other current assets	85	187	272
Right-of-use assets	135	278	413
Accounts payables	(166)	(578)	(744)
Other current liabilities	(79)	(139)	(218)
Lease liabilities	(135)	(278)	(413)
Deferred tax liability	(2,290)	(2,370)	(4,660)
Technology	3,681	—	3,681
Customer relationship	4,734	6,406	11,140
Goodwill	9,001	3,422	12,423
Brand	—	2,371	2,371
Non-controlling interest	—	(3,506)	(3,506)
	15,977	7,071	23,048
Total cash consideration, net of cash acquired			16,230

i) Acquisition of Microquest Inc. (“Microquest”)

On December 11, 2024, the Company acquired 100 percent of the outstanding common shares of Microquest Inc. (“Microquest”), an EMR provider incorporated in Canada. Microquest is a leading EMR provider serving the Province of Alberta with over 375 clinics and 1,600 providers. The acquisition allows the Company access to the Alberta EMR market and the opportunity to integrate an Alberta specific EMR with the Company’s ecosystem of solutions for the digital enablement of healthcare in Canada.

In connection with the acquisition, earn out payments of up to \$4,000 are payable, contingent on achievement of a normalized EBITDA target during a four-year period post acquisition. Since the earn out payments are contingent on continuing employment of the selling shareholders and are automatically forfeited if employment terminates, amounts will be recognized and expensed over time during the post-acquisition requisite service period.

ii) Acquisition of BlueBird iT Solutions Inc. (“BlueBird”)

On December 11, 2024, the Company acquired 51 percent of the outstanding common shares of BlueBird iT Solutions Inc (“BlueBird”), an IT services firm incorporated in Canada. BlueBird supports over 700 clinics and hospitals and is the largest provider of IT services to outpatient healthcare clinics in Canada, making it the leading deployment provider of technology for Canadian doctors. The acquisition was completed and complement its existing digital health and EMR solutions to expand the Company's footprint across Canada.

In connection with the acquisition, contingent consideration of up to \$244 is payable, contingent on achievement of a normalized EBITDA target one-year post acquisition. The fair value of the contingent consideration at acquisition was estimated to be \$244 and has been included in purchase consideration.

23. FINANCIAL INSTRUMENTS

a) Classification of financial instruments

The following table summarizes the Company's financial instruments and their carrying amounts:

<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
Financial assets at amortized cost		
Cash	69,944	32,835
Accounts and other receivables	8,608	6,118
Loan receivable from parent company (Note 20)	10,083	—
Receivables from related parties (Note 20)	2,694	1,552
Other current assets	286	786
	91,615	41,291
Financial liabilities at amortized cost		
Accounts payable and accrued liabilities	6,250	3,305
Redeemable preferred shares (Note 16(a))	113,352	47,469
Lease liability	1,316	1,681
Other current liabilities	8,472	5,985
	129,390	58,440
Financial assets at fair value through profit or loss ("FVPL")		
Investments, call option and warrant agreement (Note 9)	4,113	—
Financial liabilities at fair value through profit or loss ("FVPL")		
Deferred acquisition costs (Note 13)	3,599	2,080
Broker warrants liability (Note 16(b))	1,183	585
	4,782	2,665

b) Fair value measurements

The fair value hierarchy establishes three levels to reflect the significance of the inputs used in making the measurements:

Level 1 – quoted prices in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial instruments are classified based on the lowest level of input that is significant to the fair value measurement of the asset or liability. There were no transfers of fair value measurements between level 1, 2 and level 3 of the fair value hierarchy in the years ended December 31, 2025 and 2024.

Financial instruments carried at amortized cost:

The carrying values of cash, accounts and other receivables, accounts payable and accrued liabilities, receivable from and payable to related parties, lease liability, and certain other assets and liabilities measured at amortized cost, approximate their carrying value due to the short-term maturities of these instruments.

The Company's Series A and Series B preferred shares (Note 16) are classified as financial liabilities as they contain contractual redemption features that are not within the Company's control. The preferred shares were initially measured at fair value and are subsequently being measured at amortized cost using the effective interest rate method.

The fair value of the Series A preferred shares was estimated to be \$56,976 as of December 31, 2025 using a probability-weighted expected return method, which considers multiple potential future scenarios, including conversion and redemption outcomes. Under each scenario, the expected cash flows to the preferred shareholders were estimated and discounted to present value, and the resulting values were weighted based on management's assessment of the probability of occurrence of each scenario. The valuation incorporates significant unobservable inputs and assumptions, including expected timing of liquidity events, discount rates, and scenario probabilities. Accordingly, the fair value measurement is classified as Level 3 within the fair value hierarchy.

The fair value of the Company's Series B redeemable preferred shares was estimated to be \$62,029 on December 31, 2025, equal to the gross proceeds received upon issuance on December 5, 2025 given the short period of time that had elapsed since the redeemable preferred shares were issued. The fair value measurements of Series B redeemable preferred shares are also categorized within Level 3 of the fair value hierarchy.

Financial assets carried at fair value:

The Company's investments in Longevity AI, WaiveTheWait and Mutuo warrants and call options are classified as financial assets at FVPL and are categorized within Level 3 of the fair value hierarchy.

The fair values of equity investments in unquoted private entities are based on the fair value implied by the Company's recent acquisition transaction or on follow-on financing rounds, as applicable. These investments are in early stage start-up technology companies with limited operating history, revenues and no active market for shares. Accordingly, our fair value is determined using the most recent arm's-length financing round completed and updated by comparing unobserved inputs for financial and non-financial metrics to comparable companies and discounting for a lack of marketability.

The fair values of warrants and call options are estimated using mathematical models or option pricing models that incorporate directly observable market inputs (interest rates and credit spreads), unobservable inputs (share price, expected share price volatilities and expected terms), as applicable.

As at December 31, 2025, the fair value of financial assets at FVPL was \$4,113 (December 31, 2024 - nil).

Financial liabilities carried at fair value:

The Company's deferred acquisition cost liabilities are estimated using discounted earnings models that use unobservable inputs for revenue and cash flow projections. The fair value measurements of deferred acquisition costs and warrant liability are categorized within Level 3 of the fair value hierarchy.

The broker warrants issued in connection with the Series A and Series B Preferred Shares have been classified as a financial liability on the consolidated combined statement of financial position consistent with the classification of the underlying Series A and Series B Preferred Shares. The fair values of the warrant liabilities relating to Series A and Series B Preferred Shares were estimated to be \$580 and \$603, respectively, as of December 31, 2025. The fair value of the broker warrants is estimated using the Black-Scholes option pricing model with inputs including share price, volatility, risk-free interest rate and time to maturity. The changes in fair values of the warrant liabilities relating to Series A and Series B Preferred Shares from date of issuance to December 31, 2025 were nominal.

Level 3 recurring fair values

The following table shows a reconciliation from the opening to the closing balances for assets and liabilities classified as Level 3.

<i>(in thousands of Canadian dollars)</i>	Equity investments (Note 9)	Warrants and call options (Note 9)	Deferred acquisition cost liabilities (Note 13)	Broker warrants (Note 16(b))
Balance at December 31, 2023	—	—	(772)	—
Additions/Issuance	—	—	—	(585)
Acquired via business combinations	—	—	(2,080)	—
Fair value changes recorded in income	—	—	—	—
Interest accretion	—	—	(18)	—
Payments made in the period	—	—	790	—
Balance at December 31, 2024	—	—	(2,080)	(585)
Additions/Issuance	1,712	—	—	(603)
Acquired via business combinations	—	997	(2,400)	—
Fair value changes recorded in income	—	1,404	—	5
Interest accretion	—	—	(119)	—
Payments made in the period	—	—	1,000	—
Balance at December 31, 2025	1,712	2,401	(3,599)	(1,183)

c) Financial risk management
Credit risk

Credit risk is the risk of a financial loss to one party to a financial instrument when the other party fails to meet its contractual obligation. Credit risk arises from the Company's financial assets. The carrying value of the financial assets represents the maximum exposure to credit risk. The Company limits its exposure to credit risk on cash and cash equivalents by placing these financial instruments with high-credit quality financial institutions.

The Company establishes an estimate for expected credit losses on its accounts receivable. Collectability is reviewed regularly and an estimate of expected credit losses is established or adjusted, as necessary, using historical counterparty default rates and other relevant information. The Company writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, or when collection efforts have been exhausted. Any recoveries of amounts previously written off are recognized in consolidated net income when collected. Accounts are considered to be past due when customers have failed to make the contractually required payments when due, which is generally within 30 days of the billing date. No single customer accounts for more than 10% of the Company's consolidated revenue.

The Company evaluates credit losses on a periodic basis based on the aging and collectability of its accounts receivable. As at December 31, 2025, the Company recognized expected credit losses of \$441 (December 31, 2024 - \$176), which have been recorded as a reduction of accounts receivable. The expected lifetime credit loss provision for trade receivables is based on historical counterparty default rates and is adjusted for relevant forward-looking information as required.

The Company's exposure to credit risk is considered to be low, given the size and nature of the various counterparties involved and their history of performance.

As at December 31, 2025, the Company had accounts and other receivables of \$8,608 (December 31, 2024 - \$6,118), net of expected credit losses of \$441 (December 31, 2024 - \$176) (Note 8).

The aging of gross trade accounts receivable as at December 31, 2025 and 2024 was as follows:

<i>(in thousands of Canadian dollars)</i>	December 31 2025	December 31 2024
Not past due	3,824	2,631
Past due 1-30 days	1,033	462
Past due 31-90 days	662	309
Past due 90+ days	1,363	451
Trade accounts receivable	6,882	3,853
Other accounts receivable	2,167	2,441
Total gross accounts receivable	9,049	6,294

The movement in the expected credit loss allowance in respect of accounts and other receivables was as follows:

<i>(in thousands of Canadian dollars)</i>	
Balance as at December 31, 2023	98
Amounts written off and other	(131)
Net remeasurements of loss allowance	209
Balance as at December 31, 2024	176
Amounts written off and other	141
Net remeasurements of loss allowance	124
Balance as at December 31, 2025	441

Liquidity risk

Liquidity risk references the Company's ability to meet its financial obligations as they fall due and remain solvent. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. To date, the Company has relied on equity or net parent investment to fund its operations and/or acquisitions and will need to continue to secure additional funding for operations and planned growth and development activities. The Company believes that its principal sources of liquidity are sufficient to fund its operations on an ongoing basis.

The maturities of the contractual cash flows of the Company's financial liabilities are as follows:

(in thousands of Canadian dollars)

At December 31, 2025	Total	Undiscounted payments due by period			
		Less than 1 year	1-3 years	4-5 years	More than 5 years
Redeemable preferred shares	139,345	—	139,345	—	—
Broker warrants	1,183	580	603	—	—
Deferred acquisition costs and time-based earnouts	9,396	7,691	1,705	—	—
Lease obligations' minimum payments	1,393	587	806	—	—
Accounts payable and accrued liabilities	6,250	6,250	—	—	—
Working capital holdbacks	1,607	1,607	—	—	—
Other current liabilities	2,140	2,140	—	—	—
	161,314	18,855	142,459	—	—

The terms of the redeemable preferred shares are described in Note 16. As the redeemable preferred shares are redeemable at the option of the holders for a fixed return at any time after December 31, 2026, the contractual cash flow may differ substantially from the contractual maturities noted in the table above, which is calculated as the redemption value on January 1, 2027 inclusive of cumulative dividends. The broker warrants are convertible into redeemable preferred shares.

Market risk

The Company has limited exposure to market risk. Revenue and costs are primarily denominated in Canadian dollars and the Company has no variable interest rate borrowings or investments. Accordingly, the Company considers its exposure to foreign exchange and interest rate risk to be immaterial and has not performed a sensitivity analysis.

24. EVENTS AFTER THE REPORTING PERIOD

a) Acquisition of Lambert Médico Factures Inc.

On December 23, 2025, the Company entered into a definitive agreement to acquire a 60 percent interest in Lambert Médico Factures Inc., a billing services provider based in Quebec, for estimated consideration of \$1,260 to be paid in cash and Company subordinate voting shares, subject to working capital adjustments. The transaction was subject to certain closing conditions and closed on February 1, 2026. In connection with the acquisition, earn out payments of up to \$787 are payable, contingent on achievement of a normalized EBITDA target during a three-year period post acquisition. Since the earn out payments are contingent on continuing employment of the selling shareholders and are automatically forfeited if employment terminates, amounts will be recognized and expensed over time during the post-acquisition requisite service period.

b) Exercise Of Mutuo Call Options and Warrants

On February 20, 2026, the Company exercised its warrants with Mutuo at an exercise price of \$0.754 per warrant share for a total payment of \$1,000. Each warrant share provided the Company with one additional share of Mutuo. In addition on February 20, 2026 the Company delivered a binding notice of intention to exercise the call option with Mutuo for an aggregate exercise price of \$6,128, of which \$4,086 will payable in cash and Company subordinate voting shares with the balance payable under the terms of a time-based earnout arrangement. When the transaction closes, which is expected to be during the three months ended June 30, 2026, the difference between the consideration paid and the non-controlling interest will be recognized within accumulated deficit in equity.

c) Acquisition of Sherritt Services Inc.

On April 1, 2026, the Company entered into a definitive agreement and closed the transaction to acquire a 100 percent interest in Sherritt Services Inc., a billing and virtual medical office assistant services provider based in Alberta, for estimated consideration of \$3,208 to be paid in cash, subject to working capital adjustments.