



WELLSTAR TECHNOLOGIES CORP.

**INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2026**

BACKGROUND

This Interim Management's Discussion and Analysis ("Interim MD&A") for WELLSTAR Technologies Corp. ("WELLSTAR" or the "Company") should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements as at and for the three and six months ended June 30, 2026 (the "Interim Financial Statements"), and the Company's audited annual consolidated financial statements as at and for the year ended December 31, 2025, together with the related notes thereto (the "Annual Financial Statements").

Except as otherwise indicated or where the context otherwise requires, references to "WELLSTAR" or the "Company" include WELLSTAR Technologies Corp. and its subsidiaries. WELLSTAR prepares its consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"), including IAS 34, "Interim Financial Reporting," for interim periods.

All dollar figures stated herein are presented in thousands of Canadian dollars (\$'000 or Cdn\$'000), unless otherwise specified, except share and per share amounts.

The date of this Interim MD&A is August 6, 2026, the date on which it was approved by the Company's Board of Directors.

Company Background

WELLSTAR was established by its parent company WELL Health Technologies Corp. ("WELL") to consolidate its healthcare technology businesses into a dedicated standalone organization. Previously operating as WELL Provider Solutions, these businesses had been developed within WELL alongside its clinic operations. The creation of WELLSTAR reflects WELL's strategy to separate its healthcare technology operations from its clinic operations, establishing a dedicated healthcare technology company with its own management team, capital structure and growth strategy while continuing to benefit from WELL's strategic support, healthcare ecosystem and long-standing industry relationships. Management believes this structure is intended to provide greater transparency into the financial and operating performance of WELLSTAR's healthcare technology business while enabling each business to pursue its own strategic priorities.

Consistent with WELL's publicly announced strategy to establish WELLSTAR as a standalone healthcare technology company, on July 7, 2026, WELL announced its intention to separate WELLSTAR through a proposed public listing. Management believes that operating as a standalone publicly listed healthcare technology company would support WELLSTAR's long-term growth strategy by enhancing access to capital markets and establishing a publicly traded equity currency to pursue strategic acquisitions, while allowing WELL to retain a controlling ownership interest. Completion of the proposed transaction remains subject to customary closing conditions, including applicable corporate, regulatory and stock exchange approvals.

Since its establishment, WELLSTAR has taken a number of significant steps to position itself as an independent healthcare technology company. In December 2024, the Company completed a Series A preferred share financing raising gross proceeds of approximately \$50 million. This was followed by a Series B preferred share financing in December 2025, which raised gross proceeds of approximately \$62 million. In 2026, the Company continued to execute its growth strategy through the acquisitions of three medical billing services companies, continued investment in technology and product innovation, and ongoing preparations for the proposed public listing.

As a standalone business, WELLSTAR's strategy remains focused on delivering long-term growth through a combination of organic expansion, continued investment in software, artificial intelligence, interoperability and product innovation, together with disciplined strategic acquisitions that complement and expand the Company's integrated healthcare technology platform. The Company intends to leverage its integrated healthcare technology platform, broad customer base and strategic relationship with WELL to drive innovation, deepen customer relationships and expand its product and service offerings in support of healthcare providers and health systems across Canada.

Corporate History

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

On December 6, 2024, WELL completed an internal reorganization (the "Reorganization") pursuant to which WELLSTAR acquired the EMR, Billing and Practice Management, and Digital Apps businesses previously owned and operated by WELL and its subsidiaries. As part of the Reorganization, WELLSTAR issued Multiple Voting Shares to WELL, resulting in WELL holding a 100% voting interest in WELLSTAR.

The Reorganization was accounted for as a business combination under common control using predecessor accounting. Accordingly, the acquired businesses were recognized at their carrying values as reflected in WELL's consolidated financial statements, with the difference between the consideration issued and the carrying value of the net assets acquired recorded directly in retained earnings. For financial reporting purposes, the interim consolidated financial statements for periods prior to and including the Reorganization have been prepared

on a consolidated combined standalone basis derived from WELL's consolidated financial statements. From December 7, 2024 onward, the financial statements represent the consolidated financial statements of WELLSTAR.

The historical results of operations and cash flows presented for periods prior to the Reorganization may not be indicative of the results that would have been achieved had WELLSTAR operated as an independent standalone entity during those periods, nor are they necessarily indicative of future results. For periods prior to and through the Reorganization, the consolidated combined statements include revenues and costs directly attributable to the Company, together with allocations of certain corporate functions historically provided by WELL, including executive management, corporate development, finance, tax, audit, legal, information technology, human resources and risk management services.

FORWARD-LOOKING INFORMATION

Certain statements in this Interim MD&A may constitute forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information may include, but is not limited to, statements regarding the Company's goals, expected costs, objectives, growth strategies, product roadmap, acquisition strategy, customer acquisition and retention expectations, anticipated operational efficiencies, integration of acquired businesses, expected benefits from artificial intelligence and other technology solutions, expected financing requirements, management's beliefs, plans, estimates and intentions, the Company's future shareholders, the Company's ability to continue executing its growth strategy, and the means by which it may do so, management's expectations regarding recent infrastructure investments, the continued expansion of Nexus AI™ and WELLSTAR's Billing and Practice Management operations, the sufficiency of the Company's liquidity, the impacts of the adoption of IFRS 18 on the Company's consolidated combined financial statements, and the Company's ability to secure future funding.

Forward-looking information generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "should", "plans", "target", "continue", or similar expressions suggesting future outcomes or events. Such forward-looking information reflects management's current beliefs and is based on information currently available to management.

Forward-looking information involves risks and uncertainties that could cause actual results to differ materially from those contemplated by such information. Factors that could cause such differences include, among others, the highly competitive nature of the healthcare technology industry, government regulation and funding, privacy and cybersecurity risks, reliance on third-party software and technology infrastructure, integration risks associated with acquisitions, the timing and availability of financing, market acceptance of the Company's products, and other risk factors described under "Risks and Uncertainties" in this Interim MD&A.

Although the forward-looking information contained in this Interim MD&A is based upon assumptions that management believes to be reasonable, there can be no assurance that actual results will be consistent with such forward-looking information. Except as required by applicable law, the Company undertakes no obligation to update forward-looking information, whether as a result of new information, future events or otherwise.

COMPANY OVERVIEW

WELLSTAR is a leading Canadian healthcare technology company focused on improving health outcomes through digital enablement. WELLSTAR provides a comprehensive suite of technology-enabled solutions for primary care physicians, specialists, health systems, and public sector organizations, including electronic medical records (EMRs), AI-enabled digital health applications, patient engagement and eReferral solutions, billing and back-office services, and IT management. By leveraging innovative technologies to reduce administrative burden, enhance operational efficiency, and empower healthcare providers, WELLSTAR is helping transform healthcare delivery and improve patient outcomes across Canada.

The Company delivers its products and services through an integrated, digital health platform across three principal product lines (i) Clinical Platform Group, (ii) Digital Health Networks and (iii) Billing and Practice Management. Together, these product lines address the full operational lifecycle of a clinical practice from patient intake and clinical documentation to revenue cycle management and IT infrastructure.

WELLSTAR's AI strategy is centered on healthcare provider enablement. By embedding advanced administrative and decision support capabilities directly into all product lines, WELLSTAR aims to reduce the cognitive load and administrative burden placed on healthcare providers and to allow them to reclaim time that can be redirected towards patient care and increased patient capacity. The clinical environment is intended to function as a semi-autonomous hub in which AI agents handle routine administrative tasks, with the objective of supporting a more efficient, data-driven model of care delivery across the Canadian healthcare system.

To execute on this strategy, WELLSTAR has developed an agentic AI ecosystem anchored by the Nexus AI™ platform. The strategy is designed to transition WELLSTAR from a provider of discrete digital tools to an orchestrator of integrated, autonomous clinical workflows. Leveraging

WELLSTAR's existing technological footprint, the Nexus AI™ platform will move beyond generative AI assistance towards agentic solutions capable of autonomously planning and executing complex healthcare workflows, including AI intelligent inbox triaging, automated medical coding, and proactive patient follow-ups. This agentic AI foundation across the platform supports the delivery of more connected end-to-end clinical and administrative workflows across each of WELLSTAR's product lines.

The three principal product lines are summarized as follows:

(i) Clinical Platform Group ("CPG"). CPG operates one of Canada's leading electronic medical record ("EMR") platforms, anchored by OSCAR Pro and also including AwareMD and Healthquest, providing healthcare providers with a comprehensive suite of clinical and administrative solutions that support care delivery and practice management. An EMR platform is the core software healthcare providers use to run their practices. WELLSTAR's platform includes core EMR functionality, integrated billing and financial reporting, e-prescribing, scheduling, and patient management tools. Complementing the EMR is the Nexus AI™ platform, which embeds AI-enabled capabilities such as clinical documentation assistance, intelligent triage, and clinical decision support to streamline workflows and reduce administrative burden. CPG also offers an EMR-agnostic Applications Marketplace that enables healthcare providers to securely access and integrate a broad range of third-party digital health applications, extending platform functionality and supporting an interoperable healthcare ecosystem.

(ii) Digital Health Networks ("DHN"). DHN is led by OceanMD, an EMR-integrated platform that connects patients, healthcare providers, and health systems through digital workflows, including online appointment booking, secure patient messaging, automated intake and check-in, eReferral, eConsult, and related provider network functionality. Integrated directly within electronic medical records (both WELLSTAR and third-party) and hospital information systems, OceanMD is designed to replace paper-based and fax-dependent processes with digital, data-driven workflows that improve referral routing and tracking, reduce administrative burden for healthcare providers, and support more timely, coordinated patient care across the healthcare system.

(iii) Billing and Practice Management ("BPM"). BPM provides revenue cycle management, billing, practice management, and healthcare IT and cyber solutions that support the operational and financial performance of healthcare providers across Canada. Through DoctorCare, ClinicAid, PatientSERV, Lambert, and related billing platforms, BPM delivers insured, uninsured, and third-party billing services, claims management, reimbursement workflows, reporting, collections, and virtual medical office assistant services that are integrated into existing clinic workflows to improve billing accuracy, reduce administrative burden, and support efficient revenue cycle management. The product line also includes BlueBird iT, a healthcare-focused managed IT and cyber services provider that delivers network infrastructure, cybersecurity, data protection, EMR optimization, interoperability solutions, technical support, and strategic technology services to clinics, pharmacies, dental practices, and other healthcare organizations.

These product lines address the full operational lifecycle of a clinical practice, from patient intake, scheduling, clinical documentation and referral management to billing, revenue cycle management, reporting, collections and clinic technology infrastructure.

The Company is majority-owned by WELL and maintains a close strategic relationship with WELL. This relationship provides access to healthcare operating expertise, clinical workflow insight, shared services support and opportunities to deploy technology solutions across a broad practitioner and clinic network, while the Company maintains its own product strategy, operating cadence and financial reporting.

OVERALL PERFORMANCE

For the three months ended June 30, 2026, WELLSTAR generated revenue of \$22,765, compared to \$16,677 for the three months ended June 30, 2025, representing an increase of 36.5%. For the six months ended June 30, 2026, revenue was \$44,286, compared to \$33,723 for the same period in 2025, representing an increase of \$10,563, or 31.3%. The change was primarily attributable to organic growth led by Digital Health Networks products and services, and contributions from recent business acquisitions including PatientSERV, Mutuo, Lambert, and Sherritt Services.

Operating income for the three months ended June 30, 2026 was \$195, compared to \$1,534 in the prior year period. For the six months ended June 30, 2026, the Company generated an operating loss of \$129, compared to operating income of \$3,006 in the prior year period. The changes reflected higher general and administrative expenses, including amounts for transaction, integration, restructuring and go-public related expenses, as well as higher depreciation and amortization and share-based compensation expense.

Adjusted EBITDA¹ for the three months ended June 30, 2026 increased 60% to \$4,597, representing an Adjusted EBITDA Margin² of 20%, compared to \$2,873, or an Adjusted EBITDA Margin of 17%, in the prior year. For the six months ended June 30, 2026, Adjusted EBITDA increased 32% to \$8,478, representing an Adjusted EBITDA Margin of 19%, compared to \$6,406, or an Adjusted EBITDA Margin of 19%, in the prior year. The increases in Adjusted EBITDA reflect continued revenue growth, contributions from acquisitions and the Company's ongoing focus on operating leverage and profitability.

Net loss and total comprehensive loss for the three months ended June 30, 2026 was \$6,827, compared to \$2,859 for the same period in the prior year. For the six months ended June 30, 2026, net loss and total comprehensive loss was \$15,038 compared to \$4,082 for the same period in the prior year. The increase in net loss was primarily due to higher interest expense on the Series A and Series B redeemable preferred shares, higher general and administrative expenses, higher share-based compensation, higher depreciation and amortization and, on a year-to-date basis, a loss in the fair value of financial assets. These impacts were partially offset by higher revenue and Adjusted Gross Profit³.

As at June 30, 2026, WELLSTAR had cash of \$64,035, total assets of \$204,445, total liabilities of \$160,642, and total equity of \$43,803.

¹**Adjusted EBITDA** is a non-IFRS financial measure. Refer to section "Non-IFRS and Supplementary Financial Measures".

²**Adjusted EBITDA Margin** is a non-IFRS financial measure. Refer to section "Non-IFRS and Supplementary Financial Measures".

³**Adjusted Gross Profit** is a non-IFRS financial measure. Refer to section "Non-IFRS and Supplementary Financial Measures".

RECENT DEVELOPMENTS

Acquisitions

During the six months ended June 30, 2026, WELLSTAR acquired interests in Lambert Médico Factures Inc. and Sherritt Services Inc. and completed the acquisition of the remaining ownership interest in Mutuo. These transactions expanded WELLSTAR's billing and practice management operations and consolidated its ownership of Mutuo.

Subsequent to the period, WELLSTAR acquired JCL Medical Systems Ltd., further expanding its medical billing and revenue cycle management operations. Additional transaction details are provided in the Interim Financial Statements.

WELLSTAR Amalgamation and Proposed TSXV Listing

On July 7, 2026, the Company entered into an amalgamation agreement with 1587818 B.C. Ltd. ("818"), pursuant to which WELLSTAR and 818 will amalgamate under the Business Corporations Act (British Columbia) to form a resulting issuer (the "Resulting Issuer"). The Resulting Issuer is expected to carry on the business of WELLSTAR and intends to apply to have its subordinate voting shares listed on the TSX Venture Exchange (the "TSXV"). The transaction is expected to close in September 2026, subject to the satisfaction of customary closing conditions, including applicable corporate and regulatory approvals and acceptance by the TSXV. In connection with, and as a condition to closing the amalgamation transaction, the Company announced it is undertaking a brokered private placement of subscription receipts for gross proceeds of approximately \$50,000. Immediately prior to completion of the amalgamation transaction and concurrent financing, all outstanding Series A and Series B preferred shares are expected to convert into subordinate voting shares.

On July 30, 2026, the Company completed a financing transaction for aggregate gross proceeds of \$50,001 consisting of (1) a brokered private placement for a total of 35,146,207 subscription receipts at a price of \$1.03 per subscription receipt for gross proceeds to the Company of \$36,201 and (2) a secondary offering for a total of 13,398,058 Company subordinate voting shares at a price of \$1.03 per share for gross proceeds to the selling shareholder of \$13,800. The proceeds, less certain commissions and expenses, are being held in escrow pending satisfaction of the applicable escrow release conditions, including concurrent closing of the amalgamation transaction between the Company and 818. Upon satisfaction of these conditions, the subscription receipts will be exchanged for subordinate voting shares of the Resulting Issuer. The Company will not receive any proceeds from, or issue any additional shares in connection with, the secondary offering.

OUTLOOK

Management expects to continue executing its strategy of expanding WELLSTAR's healthcare technology platform through a combination of organic growth, cross-selling and upselling across its existing customer base, increased adoption within the WELL Health clinic network, provincial procurement opportunities, and selected strategic acquisitions. The Company intends to continue investing in AI-enabled solutions, interoperability, billing and revenue cycle management, clinic workflow solutions, and healthcare IT infrastructure to enhance its integrated platform and strengthen recurring revenue streams.

Key operational priorities include the continued integration of recent acquisitions, including PatientSERV, Mutuo, Lambert, Sherritt and JCL; expansion of billing and revenue cycle management capabilities across Canadian provincial markets; commercialization and deployment of AI-enabled clinical documentation and workflow solutions; continued growth of OceanMD and other patient engagement and interoperability offerings; and ongoing investment in platform scalability, cybersecurity, and customer support.

Management believes these initiatives will support increased customer adoption, deeper platform integration, recurring revenue growth, and improved operating leverage over time, subject to market conditions, customer adoption, regulatory requirements, successful integration of acquisitions, and the availability of capital.

NON-IFRS AND SUPPLEMENTARY FINANCIAL MEASURES

This Interim MD&A may make reference to certain non-IFRS financial measures and non-IFRS ratios. These measures and ratios are not recognized measures under IFRS Accounting Standards and do not have standardized meanings prescribed by IFRS Accounting Standards. They are therefore unlikely to be comparable to similar measures presented by other companies.

Management uses non-IFRS financial measures and ratios, including Adjusted Gross Profit, Adjusted Gross Margin, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBITDA attributable to WELLSTAR Shareholders (or Shareholder EBITDA), Adjusted EBITDA attributable to non-controlling interests and Adjusted Net Income and Adjusted Net Income Per Share as supplemental indicators of financial and operating performance. These measures are provided to complement IFRS measures by providing further understanding of the Company's results from management's perspective and should not be considered in isolation or as substitutes for financial information prepared in accordance with IFRS.

Adjusted Gross Profit and Adjusted Gross Margin

- Adjusted Gross Profit is defined as revenue less cost of sales, excluding depreciation and amortization.
- Adjusted Gross Margin is defined as Adjusted Gross Profit as a percentage of total product line or consolidated revenue, as applicable.

Adjusted Gross Profit and Adjusted Gross Margin should not be construed as alternatives for revenue or net income (loss) determined in accordance with IFRS. The Company believes that Adjusted Gross Profit and Adjusted Gross Margin are meaningful metrics that are often used by readers to measure the Company's efficiency of selling its products and services.

Adjusted EBITDA and Adjusted EBITDA Margin

- Adjusted EBITDA is defined as net income (loss) before interest income and expense, taxes, depreciation and amortization less net rent expense on premises leases accounted for as right-of-use leases under IFRS 16, and before share-based compensation expense, time-based earnout expense, foreign exchange gains and losses, changes in the fair value of financial assets, impairment charges, transaction, restructuring, integration and go-public costs, legal settlements and defence costs, and gains/losses that are not reflective of ongoing operating performance.
- Adjusted EBITDA Margin is defined as Adjusted EBITDA as a percentage of total revenue.

The Company uses Adjusted EBITDA and Adjusted EBITDA Margin as supplemental measures to assess its operating performance, evaluate period-to-period trends and support comparisons across its businesses by excluding items that management does not consider indicative of ongoing operating performance. These measures should not be considered in isolation or as substitutes for net income (loss) or other measures of financial performance determined in accordance with IFRS Accounting Standards.

Adjusted EBITDA Attributable to WELLSTAR Shareholders

- The Company defines Adjusted EBITDA attributable to WELLSTAR Shareholders (or Shareholder EBITDA) and Adjusted EBITDA attributable to non-controlling interests as the sum of the Adjusted EBITDA for each relevant legal entity multiplied by WELLSTAR's or the non-controlling interests' equity ownership, respectively.

Adjusted Net Income and Adjusted Net Income Per Share

- The Company defines Adjusted Net Income as net income (loss), after excluding the effects of share-based compensation expense, amortization of acquired intangible assets, interest accretion of redeemable preferred shares, time-based earnout expense, changes in the fair value of financial assets, impairment charges, gains/losses that are not reflective of ongoing operating performance and non-controlling interests.
- Adjusted Net Income Per Share is Adjusted Net Income divided by the weighted average number of shares outstanding.

The Company believes that these non-IFRS financial measures provide useful information to analyze results, enhance a reader's understanding of past financial performance and allow for greater understanding with respect to key metrics used by management in decision making. More specifically, the Company believes Adjusted Net Income is a financial metric that tracks the earning power of the business that is available to WELLSTAR shareholders.

WELLSTAR TECHNOLOGIES CORP.

Interim MD&A – June 30, 2026

Annual Recurring Revenue ("ARR")

- ARR is a supplementary financial measure representing the annualized value of recurring subscription, support, maintenance, platform access and recurring billing or revenue cycle management arrangements in effect at the end of the reporting period. ARR excludes non-recurring implementation, onboarding, hardware, project-based professional services and other one-time revenue. Management uses ARR to assess the scale and growth of the Company's recurring revenue base, the visibility of future revenue and the impact of new customer wins, customer expansions, pricing changes, churn and acquisitions.

The Company believes this supplementary financial measure provides useful information to investors because it helps evaluate the scale and growth of the Company's recurring revenue base and the visibility of revenue from existing customer arrangements; however, ARR is not a standardized financial measure under IFRS Accounting Standards, may not be comparable to similar measures used by other issuers and should not be considered a substitute for revenue recognized in accordance with IFRS Accounting Standards.

SELECTED FINANCIAL INFORMATION

The following table provides selected financial information for the three and six months ended June 30, 2026 and June 30, 2025. The results of operations from acquired businesses and entities are included from their respective dates of acquisition. The table includes non-IFRS financial measures and reconciliations of such measures to their most comparable IFRS measure.

<i>(in thousands of Canadian dollars, except per share amounts)</i>	Three months ended June 30 2026	Three months ended June 30 2025	Six months ended June 30 2026	Six months ended June 30 2025
Revenue	22,765	16,677	44,286	33,723
Cost of sales (excluding depreciation and amortization)	5,988	4,515	11,349	9,082
Adjusted Gross Profit ⁽¹⁾	16,777	12,162	32,937	24,641
Adjusted Gross Margin ⁽¹⁾	73.7 %	72.9 %	74.4 %	73.1 %
Operating income (loss)	195	1,534	(129)	3,006
Adjusted EBITDA ⁽¹⁾	4,597	2,873	8,478	6,406
Net loss and total comprehensive loss	(6,827)	(2,859)	(15,038)	(4,082)
Net loss attributable to owners of WELLSTAR Technologies Corp.	(6,813)	(2,950)	(14,867)	(4,354)
Adjusted net income⁽¹⁾	2,515	1,761	4,613	4,491
Loss per share, basic	\$ (0.03)	\$ (0.01)	\$ (0.06)	\$ (0.02)
Loss per share, diluted	\$ (0.03)	\$ (0.01)	\$ (0.06)	\$ (0.02)
Adjusted net income per share ⁽¹⁾	\$ 0.01	\$ 0.01	\$ 0.02	\$ 0.02
ARR⁽¹⁾			80,109	58,436

Reconciliation of Net Loss to Adjusted EBITDA⁽¹⁾

<i>(in thousands of Canadian dollars)</i>	Three months ended June 30 2026	Three months ended June 30 2025	Six months ended June 30 2026	Six months ended June 30 2025
Net loss and total comprehensive loss	(6,827)	(2,859)	(15,038)	(4,082)
Income tax expense (recovery)	122	580	672	7
Depreciation and amortization	2,294	1,418	4,590	2,978
Interest income	(402)	(116)	(928)	(227)
Interest expense	6,683	2,045	12,977	4,006
Changes in fair value of financial assets	—	—	833	—
Rent expense on right-of-use assets	(173)	(125)	(342)	(249)
Share-based compensation	1,440	166	3,224	322

WELLSTAR TECHNOLOGIES CORP.

Interim MD&A – June 30, 2026

<i>(in thousands of Canadian dollars)</i>	Three months ended June 30 2026	Three months ended June 30 2025	Six months ended June 30 2026	Six months ended June 30 2025
Foreign exchange loss (gain)	3	(7)	6	(6)
Time-based earnout expense	380	1,633	724	2,794
Transaction, restructuring, integration and go-public costs	1,077	138	1,760	863
Adjusted EBITDA	4,597	2,873	8,478	6,406
Adjusted EBITDA attributable to WELLSTAR shareholders	4,471	2,662	8,255	5,742
Adjusted EBITDA attributable to non-controlling interests	126	211	223	664

Reconciliation of Net Loss to Adjusted Net Income⁽¹⁾

<i>(in thousands of Canadian dollars)</i>	Three months ended June 30 2026	Three months ended June 30 2025	Six months ended June 30 2026	Six months ended June 30 2025
Net loss and total comprehensive loss	(6,827)	(2,859)	(15,038)	(4,082)
Amortization of acquired intangible assets	1,674	1,381	3,284	2,762
Interest accretion of redeemable preferred shares	6,372	1,987	12,520	3,880
Time-based earnout expense	380	1,633	724	2,794
Share-based compensation	1,440	166	3,224	322
Changes in fair value of financial assets	—	—	833	—
Non-controlling interest included in net loss, exclusive of other adjustments	(88)	(174)	(63)	(439)
Tax effect of adjustments	(436)	(373)	(871)	(746)
Adjusted net income⁽¹⁾	2,515	1,761	4,613	4,491

Note:

1. Refer to "Non-IFRS and Supplementary Financial Measures" for a description of the non-IFRS and supplementary financial measures presented here.

RESULTS OF OPERATIONS

Revenue

<i>(in thousands of Canadian dollars)</i>	Three months ended June 30 2026	Three months ended June 30 2025	Six months ended June 30 2026	Six months ended June 30 2025
Subscriptions and support services	19,613	14,166	38,094	27,600
Professional services and other	3,152	2,511	6,192	6,123
Total revenue	22,765	16,677	44,286	33,723

Revenue by product line:

Clinical Platform Group ("CPG")	7,777	6,701	15,596	13,326
Billing and Practice Management ("BPM")	8,605	6,184	16,022	12,802
Digital Health Networks ("DHN")	6,383	3,792	12,668	7,595
Total revenue	22,765	16,677	44,286	33,723

WELLSTAR TECHNOLOGIES CORP.

Interim MD&A – June 30, 2026

<i>(in thousands of Canadian dollars)</i>	Three months ended June 30 2026	Three months ended June 30 2025	Six months ended June 30 2026	Six months ended June 30 2025
ARR⁽¹⁾			80,109	58,436

Note:

1. Refer to "Non-IFRS and Supplementary Financial Measures" for a description of the non-IFRS and supplementary financial measures presented here.

For the three months ended June 30, 2026, WELLSTAR generated revenue of \$22,765, compared to \$16,677 for the three months ended June 30, 2025, an increase of \$6,088 or 37%. Subscription and support services revenue was \$19,613, representing 86% of total revenue, compared to \$14,166 or 85% of total revenue in the prior-year period. Professional services and other revenue was \$3,152, representing 14% of total revenue, compared to \$2,511 and 15% of total revenue in the prior-year period.

On a product line basis, revenue growth was led by DHN, where revenue increased by \$2,591, or 68%, to \$6,383. The increase was primarily attributable to continued growth at OceanMD, driven by higher enterprise license revenue including the Ontario Health contract award, the addition of new patient engagement customers, higher platform transaction volumes and expanded customer deployments. BPM revenue increased by \$2,421, or 39%, to \$8,605, reflecting higher BlueBird hardware activity where revenue increased by \$776, organic growth in DoctorCare insured billing services revenue of \$268, and contributions from PatientSERV, Lambert and Sherritt acquisitions. CPG revenue increased by \$1,076, or 16%, to \$7,777, primarily driven by organic growth in EMR and Digital Apps revenues (including Nexus AI), as well as the acquisition of Mutuo which contributed \$297, partially offset by \$207 of lower revenue from AwareMD due to higher one-time revenue recognized in the prior-year period.

For the six months ended June 30, 2026, WELLSTAR generated revenue of \$44,286, compared to \$33,723 for the six months ended June 30, 2025, an increase of \$10,563 or 31%. Subscription and support services revenue was \$38,094, representing 86% of total revenue, compared to \$27,600 and 82% of total revenue in the prior-year period. Professional services and other revenue was \$6,192, representing 14% of total revenue, compared to \$6,123 and 18% of total revenue in the prior-year period.

On a year-to-date basis by product line, DHN revenue increased by \$5,073, or 67%, to \$12,668, primarily due to growth in OceanMD enterprise license and related services revenue. BPM revenue increased by \$3,220, or 25%, to \$16,022, reflecting higher BlueBird revenue of \$732 and contributions from the PatientSERV, Lambert and Sherritt acquisitions. CPG revenue increased by \$2,270, or 17%, to \$15,596, primarily due to growth in EMR and Digital Apps revenue of \$1,641 and contributions from the Mutuo acquisition.

ARR increased to \$80,109 as at June 30, 2026, compared to \$58,436 as at June 30, 2025. The increase was primarily attributable to incremental recurring revenue from acquired businesses, including PatientSERV, Mutuo, Lambert and Sherritt, together with organic expansion in DHN, CPG and Billing and Practice Management offerings.

Cost of Sales (excluding depreciation and amortization)

For the three months ended June 30, 2026, cost of sales, excluding depreciation and amortization, was \$5,988, an increase of \$1,473, or 33%, compared to \$4,515 for the three months ended June 30, 2025. The increase was primarily attributable to the higher revenue base, increased platform and customer activity, higher BlueBird hardware costs of \$812 for sales to customers, and higher salaries allocated to cost of sales of \$268, primarily due to the acquisition of Lambert and Sherritt.

For the six months ended June 30, 2026, cost of sales, excluding depreciation and amortization, was \$11,349, an increase of \$2,267, or 25%, compared to \$9,082 for the six months ended June 30, 2025. The increase was primarily driven by higher BlueBird hardware costs of \$947 for sales to customers, an increase in the salaries allocated to cost of sales of \$568 primarily due to the acquisition of Lambert and Sherritt, and higher hosting costs and other direct delivery costs required to support revenue growth.

Adjusted Gross Profit and Adjusted Gross Margin

<i>(in thousands of Canadian dollars)</i>	Three months ended June 30 2026	Three months ended June 30 2025	Six months ended June 30 2026	Six months ended June 30 2025
Revenue	22,765	16,677	44,286	33,723
Cost of sales (excluding depreciation and amortization)	5,988	4,515	11,349	9,082
Adjusted Gross Profit	16,777	12,162	32,937	24,641

WELLSTAR TECHNOLOGIES CORP.

Interim MD&A – June 30, 2026

<i>(in thousands of Canadian dollars)</i>	Three months ended June 30 2026	Three months ended June 30 2025	Six months ended June 30 2026	Six months ended June 30 2025
Adjusted Gross Profit by product line:				
CPG	5,531	4,739	11,063	9,423
BPM	5,377	4,096	10,262	8,665
DHN	5,869	3,327	11,612	6,553
Adjusted Gross Profit	16,777	12,162	32,937	24,641
Adjusted Gross Margin	73.7 %	72.9 %	74.4 %	73.1 %
Adjusted Gross Margin by product line:				
CPG	71.1 %	70.7 %	70.9 %	70.7 %
BPM	62.5 %	66.2 %	64.0 %	67.7 %
DHN	91.9 %	87.7 %	91.7 %	86.3 %

Adjusted Gross Profit was \$16,777 for the three months ended June 30, 2026, compared to \$12,162 for the same period in 2025. Adjusted Gross Margin was 73.7% compared to 72.9%. The margin improvement was primarily driven by stronger DHN margins, particularly OceanMD, partially offset by lower margins in BPM due to revenue mix with higher levels of hardware sales at BlueBird in the three months ended June 30, 2026 and lower margins in certain billing and service-based activities. DHN Adjusted Gross Margin increased to 91.9% from 87.7%, CPG Adjusted Gross Margin increased to 71.1% from 70.7%, and BPM Adjusted Gross Margin decreased to 62.5% from 66.2%.

Adjusted Gross Profit was \$32,937 for the six months ended June 30, 2026, compared to \$24,641 for the same period in 2025, an increase of \$8,296 or 33.7%. Adjusted Gross Margin was 74.4% compared to 73.1%. The year-to-date improvement was primarily due to higher DHN margin, reflecting increased OceanMD platform utilization and higher enterprise SaaS revenue, partially offset by lower BPM margin due to revenue mix at BlueBird and other billing services divisions. DHN Adjusted Gross Margin increased to 91.7% from 86.3%, CPG Adjusted Gross Margin increased to 70.9% from 70.7%, and BPM Adjusted Gross Margin decreased to 64.0% from 67.7%.

General and Administrative Expenses

<i>(in thousands of Canadian dollars)</i>	Three months ended June 30 2026	Three months ended June 30 2025	Six months ended June 30 2026	Six months ended June 30 2025
Salaries and benefits	8,721	6,396	17,217	12,592
Professional and consulting	2,844	1,869	5,184	4,232
Information technology	1,086	635	2,144	1,220
Office expenses	160	231	624	494
Marketing and promotion	191	132	365	282
Other	401	215	656	378
Government grants and assistance	(558)	(427)	(944)	(857)
Total general and administrative expenses	12,845	9,051	25,246	18,341

General and administrative expenses were \$12,845 for the three months ended June 30, 2026, compared to \$9,051 for the same period in the prior year, an increase of \$3,794 or 42%. For the six months ended June 30, 2026, general and administrative expenses were \$25,246 compared to \$18,341 for the same period in the prior year, an increase of \$6,905 or 38%. The increases were primarily due to an increase in headcount from recent acquisitions and hiring to support growth, integration, product development, customer support and corporate functions including go-public readiness. Professional and consulting fees increased by \$975 and \$952 compared to the three and six months in 2025, primarily due to higher integration and go-public related professional fees. Information technology expenses increased by \$451 and \$924 compared to the three and six months in 2025 due to higher software subscription costs in addition to incremental costs from recent acquisitions.

WELLSTAR TECHNOLOGIES CORP.

Interim MD&A – June 30, 2026

Depreciation and Amortization

<i>(in thousands of Canadian dollars)</i>	Three months ended June 30 2026	Three months ended June 30 2025	Six months ended June 30 2026	Six months ended June 30 2025
Customer relationships	1,152	1,034	2,264	2,066
Technology and other	725	237	1,542	488
Brands	149	97	285	194
Total intangible asset amortization	2,026	1,368	4,091	2,748
Property and equipment depreciation	268	50	499	230
Total depreciation and amortization	2,294	1,418	4,590	2,978

Depreciation and amortization expense was \$2,294 for the three months ended June 30, 2026, compared to \$1,418 for the same period in 2025, an increase of \$876. Depreciation and amortization expense was \$4,590 for the six months ended June 30, 2026, compared to \$2,978 for the same period in 2025, an increase of \$1,612. The increases for three and six months ended June 30, 2026 were primarily related to an increase in the amortization of internally generated intangible assets and acquired customer relationships, technology and brands due to the acquisitions of Sheritt, Lambert, PatientSERV and Mutuo.

Share-Based Compensation

<i>(in thousands of Canadian dollars)</i>	Three months ended June 30 2026	Three months ended June 30 2025	Six months ended June 30 2026	Six months ended June 30 2025
WELL issued Restricted Share Units ("RSUs")	60	113	142	219
WELL issued Performance Share Units ("PSUs")	66	53	165	103
Company issued RSUs	478	—	1,016	—
Company issued PSUs	678	—	1,743	—
Company issued DSUs	158	—	158	—
Total share-based compensation	1,440	166	3,224	322

Share-based compensation expense was \$1,440 for the three months ended June 30, 2026, compared to \$166 for the same period in 2025 and was \$3,224 for the six months ended June 30, 2026, compared to \$322 for the same period in 2025. Share-based compensation relates to awards issued under WELLSTAR's Omnibus Equity Incentive Plan ("OEIP") and awards issued by WELL to WELLSTAR employees. The WELLSTAR OEIP was approved on August 28, 2025 and therefore no share-based compensation expense was recorded under Company issued awards until the first grant on October 21, 2025.

Time-Based Earnout Expense

Time-based earnout expense was \$380 for the three months ended June 30, 2026, compared to \$1,633 for the same period in 2025. The expense related primarily to acquired businesses and service-period earnout arrangements, including arrangements that are contingent on continuing employment of selling shareholders which are expensed over the requisite service period. The decrease in the expense was primarily due to the completion of certain service-period earnouts, including OceanMD and DoctorCare earnouts which were \$861 and \$500 respectively, in the prior-year period.

Time-based earnout expense was \$724 for the six months ended June 30, 2026, compared to \$2,794 for the same period in 2025. The decrease was primarily due to the completion of the OceanMD and DoctorCare earnout arrangements, which were \$1,773 and \$500 respectively, partially offset by Microquest and other current-year service-period earnout expense.

Loss in the Fair Value of Financial Assets

For the three months ended June 30, 2026, the Company recognized no loss in the fair value of financial assets, consistent with the same period in 2025. For the six months ended June 30, 2026, the Company recognized a loss in the fair value of financial assets of \$833, compared to nil in the prior-year period. The loss related to the remeasurement of the Mutuo call option at the exercise date after the Company delivered a binding notice of intention to exercise the call option to acquire the remaining ownership interest in Mutuo.

WELLSTAR TECHNOLOGIES CORP.

Interim MD&A – June 30, 2026

Other Expenses

Other expenses were \$239 for the three months ended June 30, 2026, compared to \$251 for the same period in 2025, a decrease of \$12. Other expenses for the three months ended June 30, 2026 included fair value changes in broker warrants of \$79. The expense decreased due to a reduction in restructuring and other charges compared to the prior year period.

Other expenses were \$631 for the six months ended June 30, 2026, compared to \$508 for the same period in 2025, an increase of \$123. Other expenses for the six months ended June 30, 2026 primarily increased due to the change in the fair value of the broker warrants of \$395. This increase was partially offset by a reduction in restructuring and other charges compared to the prior year period.

Interest Income and Interest Expense

<i>(in thousands of Canadian dollars)</i>	Three months ended June 30 2026	Three months ended June 30 2025	Six months ended June 30 2026	Six months ended June 30 2025
Interest income on cash	(298)	(1)	(722)	(112)
Interest income on related party loan	(104)	(115)	(206)	(115)
Interest income	(402)	(116)	(928)	(227)
Interest on redeemable preferred shares	6,372	1,987	12,520	3,880
Interest accretion on leases	14	27	29	64
Accretion of discount on deferred acquisition costs	264	30	394	61
Interest accretion on Mutuo put option and other items	33	1	34	1
Interest expense	6,683	2,045	12,977	4,006

Interest income was \$402 for the three months ended June 30, 2026, compared to \$116 for the same period in 2025, primarily related to higher interest income generated on a higher average cash balance compared to the prior year period and related party loan interest from a loan advance to WELL.

Interest expense was \$6,683 for the three months ended June 30, 2026, compared to \$2,045 for the same period in 2025, an increase of \$4,638. Interest expense primarily related to accretion of redeemable preferred shares and includes accretion from the Series A redeemable preferred shares, issued on December 11, 2024, and the Series B redeemable preferred shares, issued on December 5, 2025. Accretion expense on deferred acquisition costs increased compared to the same period in 2025 primarily due to the earnout on the PatientSERV acquisition.

Interest income was \$928 for the six months ended June 30, 2026, compared to \$227 for the same period in 2025, primarily related to higher interest income generated on a higher average cash balance compared to the prior year period and related party loan interest from a loan advance to WELL.

Interest expense was \$12,977 for the six months ended June 30, 2026, compared to \$4,006 for the same period in 2025, an increase of \$8,971. Interest expense primarily related to accretion on redeemable preferred shares and includes accretion from the Series A redeemable preferred shares, issued on December 11, 2024, and the Series B redeemable preferred shares, issued on December 5, 2025. Accretion expense on deferred acquisition costs increased compared to the same period in 2025 primarily due to the earnout on the PatientSERV acquisition.

Income Tax Expense

<i>(in thousands of Canadian dollars)</i>	Three months ended June 30 2026	Three months ended June 30 2025	Six months ended June 30 2026	Six months ended June 30 2025
Current tax expense	821	703	2,110	1,277
Deferred tax recovery	(699)	(123)	(1,438)	(1,270)
Total income tax expense	122	580	672	7

For the three months ended June 30, 2026, the Company recognized income tax expense of \$122 comprised of current tax expense of \$821 and deferred tax recovery of \$699, as compared to income tax expense of \$580 for the three months ended June 30, 2025, comprised of current tax expense of \$703 and a deferred tax recovery of \$123. The increase in current tax expense for the three months ended June 30,

WELLSTAR TECHNOLOGIES CORP.

Interim MD&A – June 30, 2026

2026 related to the Company's change in mix of income or losses in different legal entities and tax jurisdictions, changes in the timing of recognition of deferred tax assets as well as an overall increase in taxable income from acquisitions. For the six months ended June 30, 2026, the Company recognized income tax expense of \$672 comprised of current tax expense of \$2,110 and deferred tax recovery of \$1,438, as compared to income tax expense of \$7 for the six months ended June 30, 2025, comprised of current tax expense of \$1,277 and a deferred tax recovery of \$1,270. Deferred tax expense or recovery 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. The deferred tax recoveries for the three and six months ended June 30, 2026 and 2025 primarily relate to amortization of intangible assets and operating losses.

Cash tax payments, net of refunds, were \$2,455 for the six months ended June 30, 2026 compared to cash tax payments, net of refunds of \$1,374 for the six months ended June 30, 2025.

Net Loss

Net loss and total comprehensive loss was \$6,827 for the three months ended June 30, 2026, compared to \$2,859 for the same period in 2025, an increase of \$3,968. The increase in net loss was primarily due to higher interest expense, principally accretion on the Series A and Series B redeemable preferred shares, an increase in general and administrative expenses, share-based compensation and depreciation and amortization. These changes more than offset the increase in revenue and Adjusted Gross Profit, which benefited from growth in OceanMD, higher subscription and support services revenue, and contributions from recent acquisitions and a decrease in income tax expense compared to the prior-year period.

For the six months ended June 30, 2026, the Company reported net loss and total comprehensive loss of \$15,038, compared to \$4,082 for the same period in 2025, an increase of \$10,956. The increase in net loss was primarily attributable to higher interest expense, principally accretion on the Series A and Series B redeemable preferred shares, together with increases in general and administrative expenses, share-based compensation, depreciation and amortization and income tax expense, as well as an \$833 loss from changes in the fair value of financial assets. These items more than offset the increase in Adjusted Gross Profit, which reflected revenue growth led by OceanMD, higher subscription and support services revenue and contributions from PatientSERV, Mutuo, Lambert and Sherritt. The increase in net loss was also partially offset by lower time-based earnout expense and higher interest income compared with the prior-year period.

QUARTERLY FINANCIAL HIGHLIGHTS

The following quarterly financial highlights should be read in conjunction with the Interim Financial Statements and related notes. Quarterly revenue and profitability may fluctuate based on timing of acquisitions, implementations, professional services projects, subscription renewals, platform investments, product mix, fair value gains and losses and other activities. The Company was incorporated on October 18, 2024 and completed a reorganization on December 6, 2024, and separate quarterly financial statements for the 2024 quarters were not prepared on a comparable standalone basis. Accordingly, the Company has presented the four quarters for 2025 and the two quarters for 2026, which management believes provides the most meaningful quarterly information available for assessing recent trends.

<i>(in thousands of Canadian dollars, except per share amounts)</i>	Q2-26	Q1-26	Q4-25	Q3-25	Q2-25	Q1-25
Total revenue	22,765	21,521	20,358	18,146	16,677	17,046
Operating income (loss)	195	(324)	969	3,514	1,534	1,472
Net loss and total comprehensive loss	(6,827)	(8,211)	(407)	(1,706)	(2,859)	(1,223)
Net loss attributable to owners of WELLSTAR Technologies Corp.	(6,813)	(8,054)	(545)	(1,784)	(2,950)	(1,404)
Net loss per share, basic	(0.03)	(0.03)	0.00	(0.01)	(0.01)	(0.01)
Net loss per share, diluted	(0.03)	(0.03)	0.00	(0.01)	(0.01)	(0.01)
Adjusted Gross Profit ⁽¹⁾	16,777	16,160	15,446	13,866	12,162	12,479
Adjusted Gross Margin ⁽¹⁾	73.7%	75.1%	75.9%	76.4%	72.9%	73.2%
Adjusted EBITDA ⁽¹⁾	4,597	3,881	4,926	5,163	2,873	3,533
Cash	64,035	64,876	69,944	21,391	22,581	20,500

Note:

1. Refer to "Non-IFRS and Supplementary Financial Measures" for a description of the non-IFRS and supplementary financial measures presented here.

The growth in the Company's quarterly revenue is primarily attributable to acquisitions but also includes organic growth which varies by product line. Quarterly revenue and profitability may fluctuate based on timing of implementations, professional services projects,

WELLSTAR TECHNOLOGIES CORP.

Interim MD&A – June 30, 2026

subscription renewals, acquisition timing, platform investments, product mix, shared service allocations and customer activity. The Q4-25 cash balance increased significantly following the Series B Preferred Share financing completed in December 2025.

FINANCIAL POSITION

The following table provides selected financial information of the statement of financial position at June 30, 2026 and December 31, 2025:

<i>(in thousands of Canadian dollars)</i>	June 30 2026	December 31 2025
Assets		
Cash	64,035	69,944
Accounts and other receivables, prepayments and related-party receivables	13,135	14,072
Loan receivable from parent company	10,289	10,083
Financial assets at fair value through profit or loss	1,962	4,113
Property and equipment	1,951	1,936
Intangible assets	45,714	44,592
Goodwill	67,359	64,902
Total assets	204,445	209,642
Liabilities and equity		
Accounts payable and accrued liabilities	7,295	6,250
Deferred revenue	4,872	2,727
Deferred acquisition costs	4,168	3,599
Lease liability	1,255	1,316
Warrant liability	1,578	1,183
Other liabilities	7,604	10,132
Redeemable preferred shares	125,872	113,352
Deferred tax liabilities	7,998	8,739
Total liabilities	160,642	147,298
Equity attributable to owners of WELLSTAR Technologies Corp.	39,164	54,782
Non-controlling interests	4,639	7,562
Total equity	43,803	62,344
Total equity and liabilities	204,445	209,642

Total assets as at June 30, 2026 were \$204,445, compared to \$209,642 as at December 31, 2025, representing a decrease of \$5,197. The decrease was primarily related to lower cash of \$5,909, a decrease in receivables from related parties of \$2,467, and a decrease in financial assets recorded at fair value through profit or loss of \$2,151, reflecting the remeasurement of the Mutuo call option and the exercise of the Mutuo warrants. These decreases were partially offset by an increase in the loan receivable from the Company's parent of \$206 from accrued interest, accounts and other receivables of \$642, prepayments and other assets of \$888, net additions to property and equipment of \$15, intangible assets of \$1,122, and goodwill of \$2,457. The increase in intangible assets was primarily due to the Lambert and Sherritt acquisitions and internally capitalized technology costs, partially offset by amortization, while the increase in goodwill was due to the Lambert and Sherritt acquisitions.

Total liabilities as at June 30, 2026 were \$160,642, compared to \$147,298 as at December 31, 2025, representing an increase of \$13,344. The change was primarily related to an increase in redeemable preferred share liabilities of \$12,520 due to interest accretion expense, an increase in accounts payable and accrued liabilities of \$1,045, an increase in deferred acquisition cost liabilities of \$569, an increase in deferred revenue of \$2,145 and an increase in warrant liabilities of \$395. These increases were partially offset by a decrease in other liabilities of \$2,528, a decrease in deferred tax liabilities of \$741, and a net decrease in lease liabilities of \$61. The redeemable preferred shares were classified as current liabilities as at June 30, 2026 as they are redeemable at the option of the holders after December 31, 2026.

Net working capital, defined as current assets less current liabilities, was a deficiency of \$62,581 as at June 30, 2026 compared to a surplus of \$71,128 as at December 31, 2025. The change was primarily related to the classification of redeemable preferred shares as a current

WELLSTAR TECHNOLOGIES CORP.

Interim MD&A – June 30, 2026

liability. The redeemable preferred shares are redeemable at the option of the holders for a fixed return at any time after December 31, 2026. The remaining change was primarily due to lower cash and related-party receivables and higher current liabilities, including deferred revenue and accounts payable and accrued liabilities, partially offset by higher accounts and other receivables and prepayments and other assets.

Equity attributable to owners of WELLSTAR was \$39,164 as at June 30, 2026, compared to \$54,782 as at December 31, 2025. The change was primarily due to net loss attributable to owners of WELLSTAR of \$14,867, a return of capital of \$908, a \$2,337 charge related to the put option issued in respect of the Mutuo call option exercise and a \$2,524 adjustment against equity from the acquisition of the remaining non-controlling interest of Mutuo. These reductions in equity were partially offset by share-based payment reserve movements of \$2,917, a net credit of \$27 recorded in respect of the exercise of warrants in Mutuo, which is a consolidated subsidiary, shares issued in settlement of deferred acquisition costs of \$162, shares issued as part of consideration in business combinations of \$277, and shares issued in connection with the exercise of the Mutuo call option of \$1,635.

LIQUIDITY AND CAPITAL RESOURCES

Sources of liquidity

The Company's principal sources of liquidity are cash on hand, cash generated from operations, proceeds from financing activities, support from its parent company, and potential access to additional debt or equity capital. The Company's primary near-term cash requirements are to fund operating expenses, working capital, product development, cloud hosting and infrastructure, acquisition integration, redeemable preferred share obligations, lease obligations and strategic growth initiatives.

The Company had cash of \$64,035 as at June 30, 2026, compared to \$69,944 as at December 31, 2025. Based on its cash position, expected operating cash flows, principal sources of liquidity and operating budget, management believes that the Company will have sufficient liquidity to meet its anticipated operating, growth, investment and other financial requirements for at least 12 months from the date of this Interim MD&A.

The Company's Series A and Series B redeemable preferred shares are redeemable at the option of the holders after December 31, 2026 and are classified as current liabilities as at June 30, 2026. Although the contractual redemption value of the redeemable preferred shares exceeds the Company's existing cash balance, management's liquidity assessment considers the expected conversion of the preferred shares upon a qualifying liquidity event, WELL's contractual call right and the holders' put right to WELL in a redemption scenario, forecast operating cash flows and the Company's relationship with WELL. If a qualifying liquidity event is not completed and the redeemable preferred shares are redeemed in circumstances where the WELL call right or holder put right is not exercised, the Company may be required to seek alternative financing, renegotiate the terms of the preferred shares or obtain additional support from WELL.

Cash flows

<i>(in thousands of Canadian dollars)</i>	Six months ended June 30	Six months ended June 30
	2026	2025
Cash provided by operating activities	5,156	2,236
Cash used in investing activities	(7,715)	(12,166)
Cash used in financing activities	(3,350)	(324)
Net change in cash	(5,909)	(10,254)
Cash - beginning of period	69,944	32,835
Cash - end of period	64,035	22,581

WELLSTAR TECHNOLOGIES CORP.

Interim MD&A – June 30, 2026

Operating Activities

Operating activities provided cash of \$5,156 during the six months ended June 30, 2026, compared to cash provided of \$2,236 during the same period in 2025. The change was primarily due to an increase of net cash inflows from higher revenue and operating results before non-cash items, including depreciation and amortization, share-based compensation, interest accretion and changes in fair value of financial assets, which was partially offset by unfavourable working capital movements in the period, primarily as a result of the settlement of time-based earnout liabilities related to prior period acquisitions.

Investing Activities

Cash used in investing activities decreased to \$7,715 during the six months ended June 30, 2026, compared to \$12,166 during the same period in 2025. The decrease was primarily due to:

- A decrease in cash used related to loans provided to WELL, with no amount advanced in the six months ended June 30, 2026 (June 30, 2025 - \$8,600); and
- A decrease in cash used for investment in financial assets of \$1,182, with \$250 investments made in the six months ended June 30, 2026, compared to \$1,432 invested in the six months ended June 30, 2025.

The decrease was partially offset by:

- An increase in cash used for business acquisitions of \$3,257, due to the acquisition of Lambert Médico Factures Inc. and Sherritt Services Inc. and cash used in the settlement of holdbacks of \$1,606 with no corresponding amounts recognized in the six month period ended June 30, 2025.
- An increase in cash used in the six months ended June 30, 2026 related to the development of internally generated assets of \$2,380 (June 30, 2025 - \$1,917) and the acquisition of property and equipment of \$222 (June 30, 2025 - \$217).

Financing Activities

Financing activities used cash of \$3,350 during the six months ended June 30, 2026, compared to cash used of \$324 during the same period in 2025. Financing activities were primarily related to \$620 of transaction costs settled related to the Series B redeemable preferred shares, \$354 of lease payments (June 30, 2025 - \$324) and \$58 related to the repayment of bank indebtedness assumed on the Sherritt acquisition. In addition, there was an increase in cash used in the six months ended June 30, 2026 related to the exercise of the call option for the remaining non-controlling interest of Mutuo of \$1,635 and the settlement of deferred acquisition costs of \$683, with no corresponding amounts recognized in the six month period ended June 30, 2025.

Redeemable preferred shares

<i>(in thousands of Canadian dollars)</i>	June 30 2026	December 31 2025
Series A Redeemable Preferred Shares	61,595	55,527
Series B Redeemable Preferred Shares	64,277	57,825
Total redeemable preferred shares	125,872	113,352
Broker warrants liability	1,578	1,183

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 redeemable preferred shares are classified as financial liabilities due to holder redemption features and other contractual terms that meet the definition of a financial liability. The redeemable preferred shares are measured at amortized cost using the effective interest rate method. The warrant liabilities for Series A and Series B were initially recognized at fair value at the issuance date and are subsequently being measured at fair value through profit or loss at each reporting date with the remeasurement recorded as other expenses. The warrants entitle the holders to acquire Series A or Series B redeemable preferred shares.

The redeemable preferred shares may be redeemed at the option of holders after December 31, 2026, and may automatically convert upon a qualifying liquidity event. Certain settlement outcomes may be satisfied in cash or WELL shares, subject to contractual conditions and applicable approvals. Actual settlement may differ from management's current expectations if one or more contingent events occur. The broker warrants issued in connection with the Series A and Series B Preferred Shares have been classified as a financial liability on the

WELLSTAR TECHNOLOGIES CORP.

Interim MD&A – June 30, 2026

consolidated 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.

RELATED PARTY BALANCES AND TRANSACTIONS

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 consist of the Company's Board of Directors, Chief Executive Officer and Chief Financial Officer.

<i>(in thousands of Canadian dollars, except per share amounts)</i>	Three months ended June 30 2026	Three months ended June 30 2025	Six months ended June 30 2026	Six months ended June 30 2025
Salaries and benefits	119	89	315	158
Directors' fees	50	—	123	—
Share-based payment expense	598	75	1,283	176
Total	767	164	1,721	334

Related party balances and transactions with WELL

<i>(in thousands of Canadian dollars)</i>	Three months ended		Six months ended	
	June 30 2026	June 30 2025	June 30 2026	June 30 2025
Revenue from goods and services	1,228	1,580	2,547	2,325
Cost of sales	(104)	(531)	(414)	(719)
Shared service fees from WELL	(1,074)	(1,092)	(2,035)	(2,138)
Share-based compensation reimbursements	(126)	(166)	(307)	(322)

The Company has entered into agreements with WELL and its subsidiaries to deliver or receive goods and services and recognized revenue and also has cost of sales for goods and services purchased from WELL. The related party transactions were made on an arm's length basis. WELL charged the Company for shared service fees for finance, human resources, legal, marketing, information technology and risk management services based on the terms of administrative services agreements executed between the relevant legal entities. Share-based compensation reimbursements are in relation to WELL equity awards granted to the Company's employees.

As at June 30, 2026, the Company has a net receivable due from WELL and its subsidiaries of \$227 (December 31, 2025 - \$2,694). The amounts have been presented as a receivable due from related parties on the Company's consolidated statement of financial position. In addition, as at June 30, 2026, the Company has a loan receivable balance due from WELL of \$10,289 consisting of principal outstanding of \$9,745 and accrued interest of \$544. The loan bears interest at a rate 2% plus the Bank of Canada's published overnight target rate. 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.

For the six months ended June 30, 2026, the Company completed a return of capital to shareholders, of which \$892 was returned to WELL by settlement of intercompany balances.

CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of condensed interim consolidated financial statements in accordance with IFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

Impairment testing of goodwill and 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.

Financial assets and liabilities at fair value

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 is unavailable.

CHANGES IN ACCOUNTING POLICIES

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. The adoption of the amendments did not have a material impact on the recognition or measurement of the Company's financial assets and financial liabilities.

The IASB has issued certain new accounting standards and amendments that will become effective in future periods. The Company is monitoring these standards and amendments and assessing their potential impact on the Company's consolidated combined financial statements, systems, processes and disclosures.

On April 9, 2024, the IASB issued IFRS 18, "Presentation and Disclosure 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 financial statements.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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 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 and are subsequently measured based on their classification.

Classification of financial instruments

(in thousands of Canadian dollars)

	June 30, 2026	December 31, 2025
Financial assets at amortized cost		
Cash	64,035	69,944
Accounts and other receivables	9,250	8,608
Loan receivable from parent company	10,289	10,083
Receivables from related parties	227	2,694
Other current assets	136	286
	83,937	91,615
Financial liabilities at amortized cost		
Accounts payable and accrued liabilities	7,295	6,250
Redeemable preferred shares	125,872	113,352
Lease liability	1,255	1,316
Other current liabilities	6,638	8,472
	141,060	129,390
Financial assets at fair value through profit or loss		
Investments and call option agreement	1,962	4,113
Financial liabilities at fair value through profit or loss		
Deferred acquisition costs	4,168	3,599
Broker warrants liability	1,578	1,183
	5,746	4,782

Fair value measurements

The carrying amounts of cash, accounts and other receivables, accounts payable and accrued liabilities, receivables from and payables to related parties, lease liabilities and certain other assets and liabilities measured at amortized cost approximate their fair values due to the short-term maturities of these instruments, unless otherwise noted.

The fair value of the Company's redeemable preferred shares was estimated using a probability-weighted expected return method that considers multiple potential future scenarios, including conversion and redemption outcomes. The valuation incorporates significant

unobservable inputs and assumptions, including expected timing of liquidity events, discount rates and scenario probabilities. The fair values of the Series A and B Preferred Shares were estimated to be \$59,133 and \$70,580, respectively, as of June 30, 2026 (December 31, 2025 - \$56,976 and \$62,029, respectively). The fair values of the warrant liabilities relating to Series A and Series B Preferred Shares are estimated to be \$1,578 as of June 30, 2026. 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.

The Company's investments, warrants and call options are classified as financial assets at fair value through profit or loss. The Company's deferred acquisition cost liabilities and broker warrants are classified as financial liabilities at fair value through profit or loss. As at June 30, 2026, the fair value of financial assets at FVPL was \$1,962 (December 31, 2025 - \$4,113).

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises primarily from cash, accounts receivable, related-party receivables and other financial assets. The Company manages credit risk by monitoring customer balances, evaluating credit losses periodically and placing cash with high-credit-quality financial institutions.

As at June 30, 2026, the Company had accounts and other receivables of \$9,250, net of expected credit losses of \$399. The expected lifetime credit loss provision is based on historical counterparty default rates and adjusted for relevant forward-looking information as required.

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:

<i>(in thousands of Canadian dollars)</i>	Total	Less than 1 year	1-3 years	4-5 years	More than 5 years
Redeemable preferred shares	139,345	139,345	—	—	—
Broker warrants	1,578	1,578	—	—	—
Deferred acquisition costs and time-based earnouts	6,046	3,969	2,077	—	—
Contractual minimum lease payments	1,314	698	591	25	—
Accounts payable and accrued liabilities	7,295	7,295	—	—	—
Working capital holdbacks	476	476	—	—	—
Put option issued in respect of Mutuo call option exercise	2,453	2,453	—	—	—
Other current liabilities	1,948	1,948	—	—	—
Total contractual cash flows	160,455	157,762	2,668	25	—

The put option issued in respect of the Mutuo call option exercise may require the Company to purchase any or all of the issued subordinate voting shares at \$1.50 per share if the Company has not completed an initial public offering within twelve months of the call option closing.

The terms of the redeemable preferred shares are described in Note 14(a). 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 flows 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 as this is the earliest date on which holders may require redemption. Actual cash outflows may occur on different dates and may differ in amount depending on the occurrence of contingent features described in Note 14, including automatic conversion upon a qualifying liquidity event, call and put mechanics following a redemption notice and circumstances in which settlement may occur in cash or WELL shares. Where share settlement is unavailable, including because required stock exchange approvals are not obtained or applicable securities law conditions are not met, settlement may be required in cash.

The broker warrants are convertible into redeemable preferred shares and upon such conversion will be subject to the same terms. The broker warrants had a fair value carrying amount of \$1,578 at June 30, 2026. In the event of exercise, the Company will receive exercise proceeds from the warrants and will issue 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. The Company has limited variable interest rate exposure with respect to its loan receivable balance due from WELL. Accordingly, the Company considers its exposure to foreign exchange and interest rate risk to be immaterial and has not performed a sensitivity analysis.

DISCLOSURE OF OUTSTANDING SHARE DATA

As at August 6, 2026, the Company had the following securities issued and outstanding:

Description of security	Number of securities outstanding	Additional comments
Multiple Voting Shares	249,720,001	
Subordinate Voting Shares	6,048,700	
Series A Redeemable Preferred Shares	50,377,500	Preferred shares convert into a variable number of subordinate voting shares upon certain liquidity events.
Series B Redeemable Preferred Shares	41,352,598	Preferred shares convert into a variable number of subordinate voting shares upon certain liquidity events.
Broker warrants	4,055,375	Broker warrants entitle holders to acquire Series A or Series B preferred shares and, upon exercise, the resulting preferred shares are subject to the preferred share terms
RSUs	2,561,239	
PSUs	4,088,624	
DSUs	157,750	
Total, fully diluted	358,361,787	

RISKS AND UNCERTAINTIES

The Company's management believes that the following risks are among the most material risks affecting WELLSTAR's business, financial condition, results of operations, cash flows and future growth prospects. The risks described below are not the only risks facing the Company. Additional risks and uncertainties not currently known to the Company, or that the Company currently considers immaterial, may also impair the Company's business, financial condition, results of operations, cash flows and future growth prospects.

1. Cybersecurity, Privacy and Data Protection

The Company provides healthcare technology solutions that process, store and transmit sensitive personal, health, and financial information. The Company's products and services are used by healthcare providers, clinics, health systems, public sector organizations and patients, and the Company's reputation and business depend on maintaining the confidentiality, integrity and availability of this information.

The Company, its customers, vendors and technology partners are exposed to increasingly sophisticated cybersecurity threats including those enhanced through the use of artificial intelligence and automation.

A cybersecurity incident, privacy breach, loss of data, unauthorized disclosure of health information or material service disruption could result in regulatory investigations, fines, litigation, contractual claims, remediation costs, reputational damage, customer attrition and reduced demand for the Company's products and services. Cybersecurity incidents affecting customer or third-party service providers could also have a material adverse effect on the Company's business.

2. Artificial Intelligence and Technological Change

The Company develops and commercializes AI-enabled healthcare solutions. The legal, regulatory, and professional standards governing the use of AI in healthcare remain uncertain and continue to evolve. Future legislation, regulatory guidance, professional standards, or changes in public acceptance of AI may restrict the development, adoption or commercialization of the Company's AI-enabled products.

AI-enabled products may produce inaccurate, incomplete, or otherwise unreliable outputs. Reliance on inaccurate AI-generated outputs could adversely affect clinical workflows, billing accuracy, or other healthcare processes resulting in reputational harm, customer claims, regulatory scrutiny or reduced adoption of the Company's products.

AI is changing the competitive dynamics and economics of the software-as-a-service market. Increased competition from established technology companies, healthcare software vendors and AI-native competitors may result in pricing pressure or reducing demand for certain of the Company's products. If the Company is unable to innovate and adapt to changing market conditions, its revenue growth, margins, customer retention and valuation may be adversely affected.

3. Public Sector Procurement and Digital Health Initiatives

The Company derives a portion of its revenue and growth opportunities from public sector healthcare organizations and government-sponsored digital health initiatives. Government procurement processes are competitive, lengthy and subject to political, budgetary, administrative and policy considerations that are beyond the Company's control.

Governments may change procurement and funding priorities, delay or cancel initiatives, adopt different technology strategies, or select competing vendors or alternative procurement models. For example, provincial initiatives relating to electronic medical records, interoperability and digital health infrastructure, including the Province of Ontario's proposed Primary Care Medical Record initiative, may create both opportunities and risks for the Company.

If the Company is unsuccessful in securing significant public sector contracts, if government procurement processes are delayed or modified, or if governments adopt procurement models that are not favourable to the Company's business, the Company's revenue growth, competitive position, customer relationships and future growth prospects could be adversely affected.

4. Competition, Customer Retention and Pricing Pressure

The Company operates in highly competitive healthcare technology markets. The Company competes with established healthcare technology providers, emerging technology companies, public sector solutions and other market participants across its product and service offerings.

Competition may increase as healthcare systems seek to consolidate vendors, modernize technology platforms and adopt AI-enabled tools. Competitors may offer lower prices, bundled solutions, broader functionality, faster implementation, deeper integrations or more favourable contractual terms. Public sector initiatives may also favour certain vendors or technology models.

If the Company is unable to retain customers, renew contracts on favourable terms, maintain product differentiation, cross-sell and bundle effectively, or respond to competitive pricing pressure, its revenue, margins, growth prospects and market position may be adversely affected.

5. Technology Platform Reliability, Interoperability and Service Availability

The Company's business depends on the reliability, availability, and performance of its software platforms. Customers rely on these platforms for critical clinical, administrative, and operational workflows.

Software defects, implementation failures, system outages, interoperability issues, capacity constraints or disruptions could interrupt customer operations and reduce confidence in the Company's products.

Material service disruptions or failure to meet customer expectations could result in reputational damage, customer losses, contractual claims, regulatory scrutiny and reduced revenue.

6. Reliance on Third-Party Service Providers

The Company relies on third-party cloud service providers and technology partners to deliver its products and services. The Company's ability to provide reliable, secure and scalable services depends in part on the performance, availability and security of these third parties.

Disruptions, service failures, cybersecurity incidents or insolvency of a key third-party provider could adversely affect the Company's operations. The Company may not be able to replace key third-party providers quickly on commercially reasonable terms or without disruption which could adversely affect its business.

7. Payment Services Regulation

The Company provides billing and payment-related services that may be subject to evolving payment services regulations including the Retail Payment Activities Act. The interpretation and application of these frameworks to the Company's services may continue to evolve.

Compliance with applicable payment services requirements may require the Company to maintain additional governance, operational, risk management and compliance practices which could increase operating costs to the Company's processes, systems, or business practices.

Failure to comply with applicable payment services laws or evolving regulatory expectations could result in investigations, enforcement actions, penalties, restrictions on business activities, reputational harm or disruption to the Company's payment-related services. Changes in payment services regulation may also affect the Company's ability to scale billing and revenue cycle management offerings.

8. Acquisitions and Integration Risk

The Company has pursued and expects to continue pursuing acquisitions to expand its platform, customer base, geographic footprint, product capabilities and revenue base. Recent and planned acquisition activity includes businesses in billing, revenue cycle management, AI-enabled clinical documentation and related healthcare technology services.

Acquisitions involve numerous risks, including integration challenges, customer and employee retention, technology integration, realization of expected synergies, cultural integration, the assumption of unknown liabilities. Acquired businesses may not perform as expected or may require greater investment than anticipated.

If the Company is unable to successfully identify, complete or integrate acquisitions, or if acquisitions fail to generate expected revenue, Adjusted EBITDA, strategic benefits or synergies, the Company's results of operations and growth strategy may be adversely affected.

9. Growth and Operational Scaling

The Company has experienced significant growth through organic expansion and acquisitions and expects to continue scaling its operations. Continued growth requires investment in personnel, systems, product development, cybersecurity, privacy, compliance, and customer support.

Failure to manage growth effectively could result in operational inefficiencies, service quality issues, delayed product development, customer dissatisfaction, compliance challenges or increased costs. If the Company is unable to scale its operations while maintaining service quality and profitability, its financial performance and growth prospects may be adversely affected.

10. Dependence on Key Personnel and Talent

The Company's success depends on the continued service and performance of its senior management team and key employees with expertise in healthcare technology, software development, AI, interoperability, EMR systems, billing, payments, privacy, cybersecurity, sales, finance and public company readiness.

Competition for qualified personnel in healthcare technology and AI is significant. The loss of key personnel, inability to attract and retain talent, failure to integrate leadership and employees from acquired businesses or inability to scale the management team may adversely affect the Company's ability to execute its strategy, develop products, maintain customer relationships, complete acquisitions and prepare for a potential public listing.

11. Intellectual Property and Open-Source Software

The Company relies on proprietary technology, trade secrets, contractual rights, trademarks, copyrights and other intellectual property protections. There can be no assurance that these protections will be sufficient to prevent unauthorized use, copying, reverse engineering or misappropriation of the Company's technology.

The Company may also use open-source software components in its products and services. Open-source licenses may impose obligations relating to use, modification, distribution or disclosure of source code. Failure to comply with applicable open-source license requirements, or successful intellectual property claims by third parties, could result in litigation, increased costs, product redesign, restrictions on product distribution or disclosure of proprietary source code.

12. Related Party Transactions and Dependence on WELL Health Technologies Corp.

WELL Health Technologies Corp. is the Company's controlling shareholder. The Company also receives shared services from WELL and enters into transactions with WELL and its subsidiaries, including administrative, technology, finance, legal, human resources, marketing, information technology, risk management and other services.

Although the Company expects related-party transactions to be conducted on commercially reasonable terms, the existence of a controlling shareholder and ongoing related-party arrangements may create actual or perceived conflicts of interest. The Company may also depend on WELL for services, personnel, systems, support, financing, public company expertise and strategic relationships.

Any disruption to services provided by WELL, changes in the relationship with WELL, conflicts between the interests of WELL and other WELLSTAR securityholders, or inability to transition services on acceptable terms may adversely affect the Company's operations, governance, costs and public listing readiness.

13. Public Listing, Liquidity Event and Preferred Share Obligations

The Company has undertaken activities to prepare for a potential public listing or other liquidity event. There can be no assurance that a public listing or other liquidity event will occur, or that it will occur on terms or within the timeframe expected by management. Market conditions, investor demand, regulatory review, financial reporting readiness, internal controls, business performance, valuation expectations and other factors may delay, prevent or adversely affect a public listing or other liquidity event.

The Company has issued Series A and Series B redeemable preferred shares. The terms of those securities include redemption, conversion and settlement features that may depend on future events, including a qualifying liquidity event. If a liquidity event does not occur or if settlement in shares is unavailable or impractical, the Company may be required to satisfy obligations in cash or otherwise on terms that could affect liquidity and financial flexibility.

The Company may require additional capital to fund acquisitions, product development, compliance, working capital and other growth initiatives. There can be no assurance that additional financing will be available on acceptable terms or at all. Any inability to access capital when required could adversely affect the Company's growth strategy and financial condition.

14. Internal Controls, Financial Reporting and Public Company Readiness

As the Company grows and prepares for a potential public listing, it is required to maintain and enhance its financial reporting, disclosure, governance, risk management and internal control infrastructure. The Company's growth, acquisition activity, related-party transactions,

preferred share structure, AI product development and payment services activities increase the complexity of its financial reporting and control environment.

Failure to maintain effective internal controls over financial reporting, disclosure controls, compliance processes or governance practices could result in material misstatements, delayed reporting, regulatory scrutiny, reduced investor confidence or delays in a potential public listing. Remediation of control deficiencies may require additional management attention, staffing, systems investment and professional costs.
