JACK NATHAN MEDICAL CORP.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine months ended October 31, 2024 and 2023

RESPONSIBILITY FOR INTERIM CONDENSED CONSOLDIATED FINANCIAL STATEMENTS (UNAUDITED)

The accompanying interim condensed unaudited consolidated financial statements of Jack Nathan Medical Corp. for the three and nine months ended October 31, 2024 and 2023 have been prepared by Management in accordance with International Financial Accounting Standards, IAS 34 - Interim Financial Reporting.

Auditor Involvement

The auditor of Jack Nathan Medical Corp. has not performed a review of these interim condensed consolidated financial statements.

Woodbridge, Ontario

December 30, 2024

JACK NATHAN MEDIAL CORP.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
October 31, 2024 and 2023

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS AT

	Note	October 31, 2024 $	January 31, 2024 $
ASSETS			
Current Assets			
Cash		**365,217**	3,067,220
Accounts and other receivables	8	**1,936,138**	2,513,276
Government remittances receivable		**—**	16,994
Prepaids and deposits		**121,374**	151,648
Inventory		**20,530**	—
Total current assets		**2,443,259**	5,749,138
Long Term Assets			
Right-of-use assets	7	**476,538**	593,022
Other receivable	8	**64,076**	74,795
Property and equipment	9	**3,000,092**	3,831,423
Intangibles	10	**672,790**	938,610
TOTAL ASSETS		**6,656,755**	11,186,988
LIABILITIES AND SHAREHOLDERS' EQUITY(DEFICIT)			
Current Liabilities			
Accounts payable and accrued liabilities		**3,928,679**	4,005,243
Government remittances payable		**163,822**	—
Lease obligation - current portion	11	**179,093**	274,992
Loans and borrowings - current portion	12	**2,724,000**	2,010,883
Total current liabilities		**6,995,594**	6,291,118
Long-Term Liabilities			
Tenant deposits		**237,183**	240,121
Deferred revenues		**505,420**	496,717
Lease obligation	11	**269,197**	303,737
Loans and borrowings	12	**10,694,055**	9,802,135
Total Liabilities		**18,701,449**	17,133,828
Shareholders' Equity			
Share capital	13	**19,977,634**	19,977,634
Contributed surplus		**6,856,153**	6,844,411
Accumulated other comprehensive income		**10,078**	(208,497)
Deficit		**(38,888,559)**	(32,560,388)
Shareholders' Deficit		**(12,044,694)**	(5,946,840)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT		**6,656,755**	11,186,988

Subsequent events *[note 21]*

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

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE AND NINE MONTHS ENDED OCTOBER 31, 2024 AND 2023

		Three months ended October 31		Nine months ended October 31	
		2024	2023	2024	2023
	Note	$	$	$	$
REVENUES	6	**5,249,102**	4,939,617	**15,919,650**	13,735,215
OPERATING EXPENSES					
Associate fees		**2,789,366**	2,308,844	**8,943,687**	6,311,875
Clinic operations		**1,379,266**	1,070,180	**4,086,753**	2,813,391
Clinic supplies		**231,116**	326,963	**664,245**	954,587
License fees		**117,772**	154,189	**413,088**	359,775
Consulting fees		**322,965**	134,437	**1,025,684**	689,337
Professional fees		**349,246**	286,067	**896,400**	613,786
Investor communications		**15,772**	7,310	**65,604**	67,362
Office and general		**287,036**	430,974	**803,660**	1,149,377
Advertising and promotion		**109,727**	126,793	**314,071**	248,662
Acquistion related costs		**-**	648,600	**—**	1,122,900
Salaries and wages		**613,781**	697,129	**2,176,011**	1,899,053
Share based compensation expense	14	**692**	115,310	**11,742**	470,390
Bad debt expense (recovery)		**-**	—	**—**	456
Depreciation & Amortization	7, 9, 10	**319,361**	210,907	**981,264**	872,835
		6,536,100	**6,517,703**	**20,382,209**	17,573,786
LOSS FROM OPERATIONS		(1,286,998)	**(1,578,086)**	**(4,462,559)**	(3,838,571)
Interest income		**2,417**	9,609	**49,293**	12,168
Finance costs		**(560,798)**	(464,739)	**(1,620,081)**	(685,297)
Foreign exchange gain (loss)		**(63,062)**	(20,550)	**(130,335)**	131,404
Other Income (Expense)		**112,652**	—	**105,314**	—
LOSS BEFORE TAXES		**(1,795,789)**	**(2,053,766)**	**(6,058,368)**	(4,380,296)
Current income tax recovery (expense)		—	—	**(104,901)**	—
NET LOSS		**(1,795,789)**	**(2,053,766)**	**(6,163,269)**	(4,380,296)
Foreign currency translation adjustment		**27,604.00**	9,381	**218,575**	(104,783)
COMPREHENSIVE LOSS		**(1,768,185)**	**(2,044,385)**	**(5,944,694)**	(4,485,079)
Loss per share – Basic		**(0.02)**	(0.02)	**(0.07)**	(0.05)
Loss per share – Diluted		**(0.02)**	(0.02)	**(0.06)**	(0.05)
Basic	15	**87,099,159**	85,489,815	**87,099,159**	85,006,310
Diluted	15	**96,101,665**	89,492,321	**96,101,665**	89,008,816

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

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIT

FOR THE NINE MONTHS ENDED OCTOBER 31, 2024 and 2023

	Note	Common Shares	Share Capital	Contributed Surplus	Comprehensive Income/(Loss)	Deficit	Shareholders' Deficit
		# Issued	$	$	$	$	$
Balance, January 31, 2024		**87,099,159**	**19,977,634**	**6,844,411**	**(208,497)**	**(32,560,388)**	**(5,946,840)**
Share based compensation expense	14	—	—	11,742	—	—	11,742
Contingent consideration for acquisitions		—	—	—	—	—	—
Cumulative translation adjustment		—	—	—	218,575	(164,902)	53,673
Net loss		—	—	—	—	(6,163,269)	(6,163,269)
Balance, October 31, 2024		**87,099,159**	**19,977,634**	**6,856,153**	**10,078**	**(38,888,559)**	**(12,044,694)**
Balance, January 31, 2023		**84,329,547**	**19,765,601**	**4,398,228**	**(107,164)**	**(25,924,422)**	**(1,867,757)**
Contingent consideration for acquisitions		2,769,612	212,033	(212,033)	—	—	—
Share based compensation expense	14	—	—	470,390	—	—	470,390
Convertible Debenture		—	—	1,036,382	—	—	1,036,382
Cumulative translation adjustment		—	—	—	(104,783)	—	(104,783)
Net Loss		—	—	—	—	(4,380,296)	(4,380,296)
Balance, October 31, 2023		**87,099,159**	**19,977,634**	**5,692,967**	**(211,947)**	**(30,304,718)**	**(4,846,064)**

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

JACK NATHAN MEDICAL CORP.

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE NINE MONTHS ENDED OCTOBER 31, 2024 and 2023

	Note	October 31, 2024 $	October 31, 2023 $
CASH FLOWS FROM:			
OPERATING ACTIVITIES			
Loss before taxes		(6,058,368)	(4,380,296)
Add items not involving cash:			
Share based compensation expense	14	11,742	470,390
Depreciation	9	486,286	391,197
Depreciation - right-of-use assets	7	229,158	215,817
Amortization - intangible assets	10	265,820	265,820
Amortization - Debt issuance cost	12	11,734	41,687
Discount on Debenture		—	(753,854)
Interest expense on lease obligation	11	48,912	—
CEBA Loan Forgiveness		—	(57,530)
Profit on sale of Property & Equipment		1,667	—
Loss on cancellation of Lease		8,112	—
Accretion expense		641,396	114,320
		(4,353,541)	(3,692,449)
Changes in non-cash working capital			
Accounts and other receivables	8	577,138	(351,215)
Government remittances receivable (payable)		180,816	(203,181)
Prepaids and deposits		30,274	(54,406)
Inventory		(20,530)	—
Other receivable	8	10,719	12,312
Accounts payable and accrued liabilities		(181,465)	887,251
Tenants deposits		(2,938)	1,397
Deferred revenue		8,703	10,900
Deferred Tax Liabilities		—	474,412
CASH USED IN OPERATING ACTIVITIES		(3,750,824)	(2,914,979)
INVESTING ACTIVITIES			
Purchase of property and equipment		(50,017)	(120,416)
Construction in progress	9	(549,833)	(2,515,428)
Proceeds on sale of property and equipment		1,500	—
CASH USED IN INVESTING ACTIVITIES		(598,350)	(2,635,844)
FINANCING ACTIVITIES			
Proceeds of loans payable		962,790	9,134,650
Repayment of loans payable		(10,883)	(160,595)
Repayment of lease obligations	11	(300,137)	(223,225)
Funds received for contruction in progress	9	935,319	737,834
CASH GAINED FROM FINANCING ACTIVITIES		1,587,089	9,488,664
EFFECT Of FOREIGN CURRENCY TRANSLATION		60,082	(111,484)
NET (DECREASE)/INCREASE IN CASH		(2,702,003)	3,826,357
CASH, BEGINNING OF PERIOD		3,067,220	1,461,654
CASH, END OF PERIOD		365,217	5,288,011

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

1. NATURE OF BUSINESS AND OPERATIONS

Jack Nathan Medical Corp. ("JNH" or the "Company") is a provider of primary care medical clinics located in Walmart Supercentres under the Jack Nathan Health brand. JNH is the resulting issuer of a qualifying transaction that constituted a reverse takeover ("RTO") between Woodbridge Ventures Inc. ("Woodbridge") and Jack Nathan Medical Inc. and subsidiaries ("JNMI").

JNMI, an Ontario company which was incorporated in December 2006, designs, builds and sets-up barrier free medical clinics for physicians in high-density centers, providing patients with an opportunity to receive immediate access to quality care in modern facilities.

On October 6, 2020, Woodbridge completed a reverse takeover (RTO) transaction with JNMI via securities exchange. Simultaneously, JNH concluded a brokered private placement financing, generating $5,648,105 in gross proceeds through the issuance of 11,296,211 units at $0.50 per unit, each comprising one share and one-half warrant. All outstanding options to purchase JNH shares were automatically exercised prior to the RTO, resulting in the Company owning 100% of JNMI's issued shares.

Subsequent to the RTO the following new subsidiaries were acquired:

- Jack Nathan Functional Health Inc. ("Jack Nathan Health") owned 100% by JNH at October 31, 2021 (formerly 80% from December 14, 2020 until September 3, 2021)
- Writi Inc., ("Writi") owned 100% by JNH - January 8, 2021

The registered and head office of the Company is located at 6-6150 Highway 7 #491 Woodbridge, Ontario, Canada.

2. BASIS OF PREPARATION

a) Statement of compliance

These unaudited interim condensed consolidated financial statements for the three months and nine months ended October 31, 2024 have been prepared in accordance with International Accounting Standard ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The disclosure contained in these unaudited interim condensed consolidated financial statements does not include all the requirements in IAS 1 Presentation of Financial Statements ("IAS 1"). Accordingly, these unaudited interim condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements as at and for the year ended January 31, 2024, which include information necessary to understand the Company's business and financial statement presentation.

The interim condensed unaudited consolidated financial statements were authorized for issuance by the Board of Directors on December 30, 2024.

[Expressed in Canadian Dollars]

2. BASIS OF PREPARATION (Continued)

b) Basis of consolidation

Subsidiaries

Subsidiaries consist of companies over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are deconsolidated from the date control ceases. The consolidated financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-company balances and transactions.

The table below lists the Company's subsidiaries that are consolidated in these financial statements:

Subsidiary	Principal place of business	October 31, 2024	January 31, 2024
JNH Mexico	Mexico	99.9%	99.9%
Vivify Wellness Inc.	Inactive	100.0%	100.0%
JNH Shanghai	Inactive	95.0% (1)	95.0%
Jack Nathan Functional Health Inc.	Ontario, Canada	100.0%	100.0%
Jack Nathan Medical Inc.	Ontario, Canada	100.0%	100.0%
Writi Inc.	Ontario, Canada	100.0%	100.0%

(1) The interest of non-controlling shareholders of JNH Shanghai have not been presented separately due to no active business in JNH Shanghai

All intercompany group transactions, balances, income, and expenses are eliminated in full on consolidation.

c) Basis of measurement

The policies set out were consistently applied to all the periods presented unless otherwise noted below. The preparation of these unaudited interim condensed consolidated financial statements in conformity with IFRS as issued by the IASB requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

These unaudited interim condensed consolidated financial statements have been prepared in their functional currency on a historical cost basis except for long-term liabilities, loans receivable, and derivatives, which are measured at amortized cost or fair value. Historical cost is generally based upon the fair value of the consideration given in exchange for assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether the price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These unaudited interim condensed consolidated financial statements have been prepared using the same accounting policies and methods of computation as presented in Note 3 of the annual audited consolidated financial statements of the Company as at and for the year ended January 31, 2024.

4. GOING CONCERN ASSUMPTION

These unaudited interim condensed consolidated financial statements have been prepared on a basis that assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. These unaudited interim condensed consolidated financial statements do not reflect any adjustments that may be necessary should the Company be unable to continue as a going concern. The Company incurred a net loss of $6,163,269 during the nine months ended October 31, 2024 (nine months ended October 31, 2023 - $4,380,296), had an accumulated deficit of $38,888,559 at October 31, 2024 (January 31, 2024 - $32,560,388) and, as at October 31, 2024, had a working capital deficiency of $4,552,335 (January 31, 2024 - $541,980).

The Company requires additional financing to enable it to continue operations. In the absence of additional financing in the near term, the Company is not expected to have sufficient funds to meet its obligations. Management continues to monitor cash needs and has been actively pursuing strategic initiatives to address the Company's financial challenges.

On November 4, 2024, the Company announced that it had entered into a definitive agreement with WELL Health Technologies Corp. (the "Buyer") for the sale of its Canadian business and operations (the "Asset Sale"). The sale was completed effective December 1, 2024, for total gross proceeds of $5,000,000 (the "Purchase Price"). Approximately 57% of the proceeds from the Purchase Price for the Asset Sale were utilized to settle Purchase Price advances made by the Buyer prior to closing the Asset Sale (see Note 12(a)(iii)), pay transaction costs and certain accounts payable, and cover severance expenses for outgoing staff and senior management. The Asset Sale also facilitated the extinguishment of more than $15,000,000 in debt owed by the Company to Wal-Mart Canada Corp., significantly improving its financial position. The transaction has also provided a cash infusion to support future growth initiatives.

While the completion of the Asset Sale has significantly improved the Company's financial position by reducing debt, providing additional liquidity, and streamlining its operations, certain uncertainties remain regarding the long-term sustainability of operations. Management believes that the proceeds from the Asset Sale, along with the strengthened balance sheet and the retention of its Mexican business, position the Company to meet its obligations and continue as a going concern for the foreseeable future.

5. BUSINESS ACQUISITIONS

(a) Acquisition of Comox Valley clinic

On August 27, 2021, the Company acquired 100% of the identified assets of Comox Valley medical clinic located in Courtenay, British Columbia ("Comox Valley") which offers a turnkey clinic including all existing equipment and leasehold improvements. This acquisition represented the second medical clinic opened in British Columbia and was accounted for as a business combination under IFRS 3, Business Combinations, using the acquisition method.

The aggregate purchase consideration of $137,111 comprised of the following:

- $97,200 cash paid on the acquisition date, less a holdback amount of $24,300. This holdback was subsequently paid on February 28, 2022.
- $1,985 in satisfaction of unpaid license fees owning to the Company.
- The issuance of 92,816 in common shares of the Company at a price of $0.76, and

[Expressed in Canadian Dollars]

5. BUSINESS ACQUISITIONS (Continued)

- Contingent consideration arrangements consist of four payments based on the seller entering into a physician agreement and acting as the medical director for a period of 24 months after the acquisition date. These payments were made as follows:
  - First payment consisting of $48,600 cash, and 46,408 common shares of the Company were issued on February 27, 2023, and $48,600 cash paid 60 days later on March 27, 2022.
  - Second payment consisting of $24,300 cash and 23,204 common shares of the Company were issued on August 27, 2022, and $24,300 paid 31 days later on September 27, 2022.
  - Third payment consisting of $24,300 cash and 23,204 common shares of the Company were issued on February 27, 2023, and $24,300 paid 17 days later on March 16, 2023.
  - Fourth payment consisting of $48,600 cash, and 46,408 common shares of the Company adjusted upwards or downwards not to exceed 20% of total cash and total share consideration based on achieving certain revenue targets and 46,408 common shares were issued on September 22, 2023 and payment of $48,600 was also made on the same date.

(b) Acquisition of Bridger clinics

On November 23, 2021, the Company acquired 100% of the identified assets of five medical clinics located in British Columbia each of which offers a turnkey clinic including all existing equipment and leasehold improvements and recorded the transaction as a business combination under IFRS 3, Business Combinations, and was accounted for by applying the acquisition method. The aggregate purchase consideration of $812,500 comprised of the following:

- $525,000 cash paid on the acquisition date, less a holdback amount of $150,000.
- $1,452 in satisfaction of unpaid license fees owning to the Company.
- The issuance of 1,250,000 in common shares of the Company at a price of $0.23, and
- Contingent arrangements consist of four payments based on the seller entering into a physician agreement and acting as the medical director for a period of 24 months after the acquisition date. The payments were made as follows:
- First payment consisting of $150,000 cash and the 500,000 shares and additional holdback amount of $150,000 was made on June 23, 2022.
- Second payment consisting of $75,000 cash was paid on December 22, 2022.
- Third payment consisting of 1,100,000 common shares of the Company were issued at $0.10 for a value of $110,000 on May 23, 2023, and $450,000 cash was paid on August 3, 2023.
- Fourth payment consisting of 1,600,000 common shares were issued at $0.06 for a value of $96,000 on October 31, 2023 and payment of $600,000 was made on November 1, 2023.

6. REVENUES

Revenues for the three and nine months ended October 31, 2024, and 2023 consist of the following:

	Three months ended October 31		Nine months ended October 31	
	2024	**2023**	**2024**	**2023**
	$	$	$	$
Clinic operations	4,690,698	4,246,386	14,276,338	11,653,262
License revenues	558,404	628,972	1,643,312	1,887,783
Other revenues	-	64,259	-	194,170
Total revenues	**5,249,102**	**4,939,617**	**15,919,650**	**13,735,215**

[Expressed in Canadian Dollars]

7. RIGHT-OF-USE ASSETS

The Company recognized the right-of-use asset for its office space lease and Medspas equipment as follows:

	$
Balance - January 31, 2024	593,022
Additions	129,432
Deletion	(16,758)
Depreciation	(229,158)
Balance - October 31, 2024	**476,538**

Depreciation of right-of-use asset for the nine months ended October 31, 2024 was $229,158 (2023 - $215,817).

8. ACCOUNTS AND OTHER RECEIVABLES

The Company's accounts receivable are summarized as follows as of October 31, 2024, and January 31, 2024:

	October 31, 2024	January 31, 2024
	$	$
Accounts receivables	1,921,920	2,499,882
Less: expected credit losses	-	-
	1,921,920	2,499,882
Current portion of other receivable	14,218	13,394
	1,936,138	2,513,276

Accounts receivable are non-interest bearing and the average credit period is 30 days according to the terms agreed with the customers. The Company's other receivable represents amounts due pursuant to a license agreement to pay for a portion of leasehold improvements in an amount of $1,938 per month for ten years, starting March 1, 2019.

	October 31, 2024	January 31, 2024
	$	$
Other receivable	78,294	88,189
Less: current portion	14,218	13,394
	64,076	74,795

9. PROPERTY AND EQUIPMENT

The components of property and equipment are as follows as of October 31, 2024:

	Clinic Equipment	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
Cost	$	$	$	$	$
Balance - January 31, 2024	908,076	184,831	3,689,069	309,417	5,091,393
Additions	47,517	-	626,817	549,833	1,224,167
Transfer to use	-	-	-	(624,317)	(624,317)
Disposal	(1,340)	(459)	(3,219)	-	(5,018)
Funding for construction	-	-	-	(935,319)	(935,319)
Impact on foreign exchange	(26,616)	-	-	-	(26,616)
Balance - October 31, 2024	**927,637**	**184,372**	**4,312,667**	**(700,386)**	**4,724,290**

[Expressed in Canadian Dollars]

Accumulated Depreciation	Clinic Equipment $	Furniture and Fixtures $	Leasehold Improvements $	Construction in Progress $	Total $
Balance - January 31, 2024	445,583	85,092	729,295	-	1,259,970
Depreciation	139,835	24,530	321,921	-	486,286
Disposal	(614)	(459)	(778)	-	(1,851)
Impact on foreign exchange	(20,204)	93	(96)	-	(20,207)
Balance - October 31, 2024	**564,600**	**109,256**	**1,050,342**	**-**	**1,724,198**

Net Book Value	Clinic Equipment $	Furniture and Fixtures $	Leasehold Improvements $	Construction in Progress $	Total $
Balance - January 31, 2024	462,493	99,739	2,959,774	309,417	3,831,423
Balance - October 1, 2024	**363,037**	**75,116**	**3,262,325**	**(700,386)**	**3,000,092**

Depreciation for the nine months ended October 31, 2024, was $486,286 (2023 - $252,230).

10. INTANGIBLES

Intangible assets include customer lists and patient records relating to the acquisition of Medical clinics which are summarized as follows as of October 31, 2024:

Cost	Customer or Patient Lists $	Total $
Balance - January 31, 2024 and October 31, 2024	**1,772,136**	**1,772,136**

Accumulated Amortization	Customer or Patient Lists $	Total $
Balance - January 31, 2024	**833,526**	**833,526**
Amortization	265,820	265,820
Balance - October 31, 2024	**1,099,346**	**1,099,346**

Net Book Value	Customer or Patient Lists $	Total $
Balance - January 31, 2024	938,610	938,610
Balance - October 31, 2024	**672,790**	**672,790**

[Expressed in Canadian Dollars]

11. LEASE OBLIGATIONS

The following table presents the lease obligations for the Company:

	$
Balance - January 31, 2024	578,729
Addition	129,432
Interest Expense	48,912
Cancellation of lease	(8,646)
Lease payments	(300,137)
Balance - October 31, 2024	**448,290**

	$
Current Portion	179,093
Non-Current portion	269,197
	448,290

The following table presents the contractual undiscounted cash flows for lease obligation as at October 31, 2024:

	$
Less than one year	269,340
One to five years	287,402
Total undiscounted lease obligation	**556,742**

12. LOANS AND BORROWINGS

Loans and borrowings by the Company consist of the following:

	October 31, 2024	January 31, 2024
	$	$
Loans payables (a)	7,511,100	6,536,576
Other payables (b)	-	10,883
Convertible debenture (c)	5,906,955	5,265,559
	13,418,055	11,813,018
Less: current portion	2,724,000	2,010,883
	10,694,055	**9,802,135**

(a) Loans payable

	October 31, 2024	January 31, 2024
	$	$
Credit Facility I - Walmart	4,787,100	4,536,576
Credit Facility II - Walmart	2,474,000	2,000,000
Credit Facility III - Well Health	250,000	-
	7,511,100	**6,536,576**
Less: current portion	2,724,000	2,000,000
	4,787,100	**4,536,576**

[Expressed in Canadian Dollars]

12. LOANS AND BORROWINGS (Continued)

(a) Loans payable (Continued)

(i) Credit Facility I – Walmart

On May 6, 2022, the Company signed a new credit facility agreement for newly licensed Wal-Mart Canada Corp ("Walmart") medical clinics across Canada. The lender under this agreement was Walmart, who provided financing for significant capital expenditure to expansions & upgrades. Advances under the credit facility accrued interest at 6% per annum based on the number of new locations and are classified as Model A & Model B.

Each quarter the Company was required to pay a "Cash Sweep", which is defined as 30% of the net profit of that respective location. The Cash Sweep was applied against the principal and accrued interest of the loan. In the event there was a shortfall of the Cash Sweep of four consecutive fiscal quarters, the Company was required to make up the shortfall of up to $10,000 for Model A clinics and $40,000 for Model B clinics. Repayment of the unpaid principal and accrued interest was due five years from the date of the first advance. The details of loans received to October 31, 2024 for different clinics are:

Location	Date of Receipt	Amount Received	Balance payable as at October 31, 2024
Hillside, British Columbia	June 23, 2022 & August 2, 2022	$463,000	$423,000
Edmonton, Alberta	June 23, 2022 & August 2, 2022	$409,000	$369,000
Woodstock, Ontario	December 13, 2022	$412,900	$372,900
Whitby, Ontario	January 27, 2023	$146,600	$106,600
Hamilton, Ontario	January 27, 2023	$149,400	$109,400
Peterborough, Ontario	January 27, 2023	$154,300	$114,300
Drummondville, Quebec	February 1, 2023	$412,500	$372,500
Marche, Quebec	May 25, 2023	$430,980	$430,980
Mississauga, Ontario	June 14, 2023	$291,170	$291,170
Oakville, Ontario	November 1, 2023	$336,710	$336,710
Kingston, Ontario	November 1, 2023	$348,040	$348,040
Milton, Ontario	November 10, 2023	$404,580	$404,580
Scarborough, Ontario	November 14, 2023	$367,400	$367,400
London, Ontario	December 5, 2023	$203,500	$203,500
Orangeville, Ontario	December 5, 2023	$137,500	$137,500
Kirkland, Ontario	February 27, 2024	$240,790	$240,790
Orleans, Ontario	February 27, 2024	$198,000	$198,000
Total		**$5,106,370**	**$4,826,370**

	October 31, 2024	January 31, 2024
	$	$
Loans payable at face value	4,826,370	4,587,580
Debt issuance costs	(78,179)	(78,179)
Amortization of debt issuance cost	38,909	27,175
	4,787,100	**4,536,576**
Less: current portion	-	-
	4,787,100	**4,536,576**

[Expressed in Canadian Dollars]

12. LOANS AND BORROWINGS (Continued)

(a) Loan payable (Continued)

(ii) Credit Facility II – Walmart

On September 27, 2022 the Company entered into a loan agreement with Walmart (the "Loan Agreement") in order to establish a new revolving credit facility in an amount not to exceed $2,000,000 (the "Loan") in favor of the Company maturing on a date that was the earlier of (i) the date upon which demand is made by Walmart pursuant to the provisions of the Loan Agreement and (i) the date that is nine months from the date of entering into the Loan Agreement, as such date may be extended by Walmart from time to time, in its sole discretion (the "Maturity Date"). Any advances of the Loan accrued interest at a rate of 7% per annum from and including the date of such advance, to but excluding the date of repayment. Notwithstanding the right of Walmart to make demand for repayment at any time, provided such demand is at least ninety (90) days from the closing date, the full amount of all advances outstanding under the Loan Agreement, together with all interest accrued and any other amounts owing, shall be repaid on the Maturity Date. The Loan was used by the Company for general working capital of the Company and its subsidiaries.

Amendment to Credit Facility

On August 7, 2024, the Company and Walmart executed a First Amending Agreement (the "Amendment") to the September 2022 Loan Agreement, which revised its terms to support the Company's financial requirements during a transitional period. The Amendment increased the facility's maximum amount by $474,000. The Amendment was implemented to provide interim financial support as the Company pursued its strategic initiatives.

As at October 31, 2024, the loan was changed to "due on demand"

	October 31, 2024	January 31, 2024
	$	$
Loans payable at face value	2,474,000	2,000,000
Debt issuance costs	(100,542)	(100,542)
Accumulated accretion expense	100,542	100,542
	2,474,000	**2,000,000**
Less: current portion	2,474,000	2,000,000
	-	-

(iii) Credit Facility III – Well Health

Interim Financing Agreement with WELL Health Technologies Corp.

The Company entered into an interim financing agreement dated November 3, 2024 (the "Financing Agreement") with WELL Health Technologies Corp. ("WELL") for an unsecured credit facility of up to $750,000 (the "Loan"). The Loan was established to support the Company's cash flow requirements and business continuity needs pending the closing of the Asset Sale to WELL. The Loan accrues interest at 12% per annum on the outstanding principal amount of each advance, calculated on a 365-day year basis, with an increased interest rate of 18% per annum in the event of default. Repayment was due on the earliest of (1) January 31, 2025, (2) the closing date of the Asset Sale, (3) the date of a change in control of the borrower, or (4) the date of any refinancing arrangement.

As of October 31, 2024, a preliminary advance of $250,000 had been drawn under the Financing Agreement. This advance was settled from the proceeds of the Asset Sale and the Financing Agreement was terminated upon closing the Asset Sale effective December 1, 2024.

[Expressed in Canadian Dollars]

(b) Other payables

Equipment loans have been fully paid during the quarter ended on October 31, 2024. Comparative period equipment loan payable has been included in loans payable on the consolidated statements of financial position.

	October 31, 2024	January 31, 2024
	$	$
Equipment loans payable at fair value	-	283
Accumulated accretion expense	-	10,600
	-	**10,883**

(c) Convertible Debenture

On July 20, 2023, the Company closed an $8,000,000 private placement financing with Walmart, involving the issuance by the Company to Walmart of a secured convertible debenture (the "Debenture") in the principal amount of $8,000,000. The proceeds from the Debenture are to be used for the operations of the Company that are operated in collaboration with Walmart, including for the opening of up to 25 new clinics and Quebec infrastructure.

The Debenture bears interest at the rate of 9% per annum, payable in cash quarterly until the earlier of the Maturity Date (as defined below) or the date of full conversion of the Debenture. Subject to earlier conversion, the Debenture would mature on July 20, 2026 (the "Maturity Date"). The principal amount outstanding under the Debenture was convertible, at the option of Walmart, into units of the Company at a price of $0.105 per unit. Such principal was so convertible by Walmart in whole or part, at any time and from time to time prior to the Maturity Date. Each such unit shall consist of one common share of the Company ("Common Share") and one Common Share purchase warrant of the Company (a "Warrant"), with each Warrant entitling the holder to purchase one Common Share at an exercise price of $0.105 until the date that is three years following the date of issue of such Warrant. Conversion of the Debenture would result in a significant change of control.

Walmart had the right, but not the obligation, to nominate one individual for appointment to the board of directors of the Company (the "Board"). Upon any conversion of the Debenture, Walmart would be entitled, but not obligated, to nominate up to three individuals for appointment to the Board for so long as it held 30% or greater of the outstanding Common Shares. Walmart's Board nomination rights would decrease to two individuals if it held greater than 20% but less than 30% of the outstanding Common Shares and one individual if it held greater than 10% but less than 20% of the outstanding Common Shares. The following is a summary of the Debenture as at October 31 and January 31, 2024:

		October 31, 2024	January 31, 2024
	Note	$	$
Loans payable at face value		8,000,000	8,000,000
Debt issuance costs		(279,441)	(279,441)
Discount on conversion feature		(2,834,926)	(2,834,926)
Accumulated accretion expense		1,021,322	379,926
		5,906,955	**5,265,559**
Less: current portion		-	-
		5,906,955	**5,265,559**

In connection with the closing of the Asset Sale transaction with WELL, all debt owing under the two credit facilities with Walmart, as well as under the Walmart Debenture, all as described in this Note 12, was extinguished and the Walmart Debenture was cancelled and terminated.

[Expressed in Canadian Dollars]

13. SHARE CAPITAL

Authorized - Unlimited number of common shares:

Issued and outstanding

	Number of shares	Amount $
Balance January 31, 2023	84,329,547	19,765,601
Shares issued for acquisition of Comox Valley clinic	69,612	6,033
Shares issued for acquisition of Bridger clinics	2,700,000	206,000
Balance January 31, 2024	**87,099,159**	**19,977,634**
Balance October 31, 2024	**87,099,159**	**19,977,634**

There was no change in share capital during the nine month period ended on October 31, 2024.

14. SHARE BASED COMPENSATION

(a) Stock Options

The following table summarizes the Company's stock options activity for the nine months ended October 31, 2024 and year ended January 31, 2024:

	October 31, 2024		January 31, 2024	
Stock Options	Number of options #	Weighted average exercise price $	Number of options #	Weighted average exercise price $
Outstanding - beginning of year	5,365,000	0.58	7,375,000	0.59
Options granted	-	-	265,000	0.07
Options cancelled	(215,000)	-	(2,275,000)	(0.56)
Outstanding - end of period	**5,150,000**	**0.57**	**5,365,000**	**0.58**
Exercisable - end of period	**5,050,000**	**0.58**	**4,758,125**	**0.66**

A summary of stock options outstanding as of October 31, 2024, is set out below:

Range of Exercise Prices	Number of options #	Remaining contractual life [years]	Weighted average exercise price $
Options $0.50 or less	3,950,000	2.76	0.39
Options at $0.51- $1.40	1,200,000	3.12	1.15
Outstanding - end of year	**5,150,000**		**0.57**

[Expressed in Canadian Dollars]

14. SHARE BASED COMPENSATION (Continued)

(b) RSUs

RSUs may be paid in cash at the discretion of the Company only and are therefore not treated as cash-settled share-based payments recorded as liabilities. The following table summarizes the Company's RSU activity for the nine months ended October 31, 2024, and year ended January 31, 2024:

	October 31, 2024		January 31, 2024	
RSUs	**Number of RSUs**	**Share price on grant date**	**Number of RSUs**	**Share prioce on grant date**
	#	$	#	$
Outstanding - beginning of year	**8,500,000**	**-**	**8,750,000**	**0.38**
RSUs granted	-	-	-	0.08
RSUs forfeited	-	-	(250,000)	-
Outstanding - end of period	**8,500,000**	**-**	**8,500,000**	**-**
Exercisable - end of period	**7,500,000**	**-**	**7,500,000**	**-**

As part of the severance costs incurred by the Company in connection with the Asset Sale transaction completed effective December 1, 2024 (see Note 4), the Company repurchased and cancelled a total of 8,500,000 restricted share units (RSUs) at a purchase price of $0.03 per unit, resulting in a total payment of $255,000.

(c) DSUs

The following table summarizes the Company's DSU activity for the nine months ended October 31, 2024, and year ended January 31, 2024:

	October 31, 2024		January 31, 2024	
DSUs	**Number of DSUs**	**Share price on grant date**	**Number of DSUs**	**Share prioce on grant date**
	#	$	#	$
Outstanding - beginning of year	502,506	-	502,506	-
Outstanding - end of period	**502,506**	**-**	**502,506**	**-**
Exercisable - end of period	**-**	**-**	**-**	**-**

Share compensation expense is comprised of the following for the nine months ended October 31, 2024 and 2023:

	Nine months ended	
	October 31, 2024	**October 31, 2023**
	$	**$**
Stock options	11,742	57,292
RSUs	-	413,099
	11,742	470,391

[Expressed in Canadian Dollars]

15. LOSS PER SHARE

The table below shows the components used in the calculation of basic and diluted loss per share:

	Three months ended		Nine months ended	
	October 31, 2024	October 31, 2023	October 31, 2024	October 31, 2023
	$	$	$	$
Loss from operations	(1,286,998)	(1,578,086)	(4,462,559)	(3,838,571)
Net loss - Basic	(1,795,789)	(2,053,766)	(6,163,269)	(4,380,296)
Comprehensive Loss - Basic	(1,768,185)	(2,044,385)	(5,944,694)	(4,485,079)
Weighted average number of common shares outstanding - basic	87,099,159	85,489,815	87,099,159	85,006,310
Effect of dilution from stock options and warrants	9,002,506	4,002,506	9,002,506	4,002,506
Weighted average number of common shares outstanding - diluted	**96,101,665**	**89,492,321**	**96,101,665**	**89,008,816**

16. FINANCIAL INSTRUMENTS

The Company has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk, interest rate risk, currency risk and market risk. The following presents information about the Company's exposure to each of these risks, and the Company's objectives, procedures, and processes for measuring and managing risk.

(a) Credit risk

Credit risk refers to the risk that a counterpart will default on its contractual obligation, resulting in financial loss to the Company. Such risks arise primarily from certain financial assets held by the Company consisting of accounts receivable. The Company's maximum exposure to credit risk is limited to the carrying amount of the financial assets.

(b) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulties in meeting obligations associated with financial liabilities. As at October 31, 2024, the Company's cash balances decreased significantly and the Company is experiencing a working capital deficit, with current liabilities exceeding current assets. Management has taken significant steps to address these challenges through strategic initiatives.

Subsequent to the reporting period, effective December 1, 2024, the Company completed the sale (the "Asset Sale") of its Canadian business and operations to WELL Health Technologies Corp. (the "Buyer") for total gross proceeds of $5,000,000 (the "Purchase Price"). Approximately 57% of the proceeds from the Purchase Price for the Asset Sale were utilized to settle Purchase Price advances made by the Buyer prior to closing the Asset Sale (see Note 12(a)(iii)), pay transaction costs and certain accounts payable, and cover severance expenses for outgoing staff and senior management. The Asset Sale also facilitated the extinguishment of over $15,000,000 in debt owed by the Company to Walmart, and provided a cash infusion to support the Company's retained Mexican operations. These developments have significantly improved the Company's liquidity position and strengthened its balance sheet.

While the Asset Sale has mitigated much of the Company's immediate liquidity risk, future liquidity remains dependent on the profitability of its Mexican operations and the effective deployment of the cash proceeds from the transaction. Management continues to monitor financial performance and is focused on operational efficiencies and strategic initiatives in its retained business.

Accounts payable and accrued liabilities are subject to normal trade terms, and management believes the Company has sufficient resources to meet its short-term obligations following the Asset Sale.

16. FINANCIAL INSTRUMENTS (Continued)

(b) Liquidity risk (Continued)

The following tables summarize the contractual maturities of financial liabilities as at October 31, 2024:

October 31, 2024	Less than 1 year	1 to 5 years	Over 5 years	Total
	$	$	$	$
Accounts payable and accrued liabilities	3,928,679	-	-	3,928,679
Government Remittance Payable	163,822	-	-	163,822
Tenant deposits	-	176,253	60,930	237,183
Deferred revenues	-	505,420	-	505,420
Loans and borrowings	2,724,000	10,694,055	-	13,418,055
Lease obligation	179,093	269,197	-	448,290
Total	**6,995,594**	**11,644,925**	**60,930**	**18,701,449**

(c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices and is comprised of currency risk, interest rate risk, and other price risk.

(d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

(e) Currency risk

Currency risk arises on financial instruments that are denominated in a foreign currency, a currency other than the functional currency in which they are measured. The potential 5% increase or decrease in Mexican Peso would result in an increase or decrease in net loss of approximately $8,238 (2023 - $15,532)

17. RELATED PARTY TRANSACTIONS

During the nine months ended October 31, 2024, the Company engaged in transactions in the normal course of operations with the following related parties. All these transactions have been accounted for at the amount agreed to by the transacting parties as follows:

Transactions with key management personnel
The Company recorded salaries and consulting fees during the nine months ended October 31, 2024, in the amount of $834,259 (2023 –$884,256) to key management personnel, including the roles of Chief Executive Officer, Chief Financial Officer and Chief Operating Officer.

Transactions with related parties other than key management personnel
The Company recorded fees during the nine months ended October 31, 2024 of $141,250 (2023 - $118,377) to the directors of the Company. During the nine months ended October 31, 2024, the Company paid legal fees of $66,500 (2023 - $85,000) included in professional fees to a person related to the CEO.

[Expressed in Canadian Dollars]

18. CAPITAL MANAGEMENT

The Company defines capital as all borrowings, lease obligations, equity comprised of issued share capital, warrants and contributed surplus. The Company's objectives when managing its capital are:

(i) to maintain a flexible capital structure that optimizes the cost of capital at acceptable risk while providing an appropriate return to its shareholders;
(ii) to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business;
(iii) to safeguard the Company's ability to obtain financing should the need arise; and
(iv) to maintain financial flexibility in order to have access to capital for future acquisitions and growth opportunities.

Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable. There were no changes in the Company's approach to capital management during the nine months ended October 31, 2024. The Company is not subject to externally imposed capital requirements.

19. SEGMENT INFORMATION

The Company's results are reported by geographical business units that operate in different countries. The following tables present segment information for the nine months ended and as at October 31, 2024 and 2023:

	Canada	Mexico	Total
Nine months ended October 31, 2024	$	$	$
Revenues	10,282,125	5,637,525	15,919,650
Net income (loss)	(5,998,493)	(164,776)	(6,163,269)

As at October 31, 2024	$	$	$
Total assets	5,670,428	986,327	6,656,755
Long term assets	4,128,453	85,043	4,213,496
Property and equipment	2,915,049	85,043	3,000,092

	Canada	Mexico	Total
Nine months ended October 31, 2023	$	$	$
Revenues	9,660,100	4,075,114	13,735,214
Net income (loss)	(4,690,933)	310,637	(4,380,296)

As at October 31, 2023	$	$	$
Total assets	11,115,188	790,635	11,905,823
Long term assets	4,853,518	102,829	4,956,347
Property and equipment	3,208,003	102,829	3,310,832

During the nine months ended October 31, 2024, 37% of total revenues (2023 – 24%) is attributable to one customer.

20. COMMITMENTS AND CONTINGENCIES

Contingent liability

On May 17, 2022, the former CEO of the Company initiated a claim against the Company in the amount of $14.6 million for breach of contract. On November 2, 2022 the Company defended against the claims and initiated a counter claim in the amount of $10 million. Management intends to defend the claim and the outcome of the claim and counter claim is uncertain at this time. As a result, no accrual for potential loss or gain on the outcome of the matter has been made in the consolidated financial statements.

21. SUBSEQUENT EVENTS

On November 4, 2024, the Company announced that it had entered into a definitive agreement with WELL Health Technologies Corp. ("WELL") for the sale of its Canadian business and operations (the "Asset Sale"). The total purchase price for the Asset Sale was $5,000,000 (the "Purchase Price"), and the transaction also facilitated the extinguishment of more than $15,000,000 in debt owed by the Company to Walmart. The Asset Sale was approved by shareholders on November 29, 2024, and closed effective December 1, 2024. Following the completion of the transaction, the Company retains ownership and operational control of its Mexican business, which includes 168 corporate-owned or operated clinics in Walmart locations across Mexico.

Approximately 57% of the proceeds from the Purchase Price for the Asset Sale were utilized to (i) settle Purchase Price advances made by WELL prior to closing the Asset Sale (the "Closing") to support the Company's cash flow requirements and business continuity needs pursuant to the previously reported interim financing agreement entered into between WELL and the Company, (ii) pay transaction costs (mainly legal costs) incurred in connection with the Asset Sale and certain accounts payable, and (iii) pay severance costs for staff and senior management who are not transferring to WELL and not remaining with the Company post-Closing.

In connection with the Asset Sale transaction the Company entered into a profit-sharing arrangement with Walmart, granting Walmart a 10% profit interest for the first year and a 25% profit interest thereafter in the Company's Mexican operations, capped at $4,000,000. This profit-sharing obligation is secured by the assets of the Company's Mexican subsidiary.

The Company also reported in its December 2, 2024 press release key changes to its executive leadership:

- Dr. Glenn Copeland, previously the Company's CEO, President, Chief Medical Officer and Chairman of the Board, has stepped down from his positions with the Company. Dr. Copeland has agreed to provide clinical consulting services to the Company for a three-month transition period.
- Marcy Herriman, the Company's COO, has also stepped down from her role and will provide operational consulting services to the Company for three months post-Closing.

Mike Marchelletta, previously the Executive Vice Chairman, has been appointed by the Company as the new CEO and President of the Company.

These subsequent events represent non-adjusting events under IAS 10 - Events After the Reporting Period, as they occurred after the reporting date of October 31, 2024, and do not affect the amounts recognized in these financial statements.

Management believes that the completion of the Asset Sale has significantly improved the Company's financial position, reducing debt and providing additional liquidity to support the Company's retained operations. However, management continues to monitor operations and remains focused on the performance of the retained Mexican business.