



WELL HEALTH TECHNOLOGIES CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS JUNE 30, 2025

Expressed in thousands of Canadian dollars

(Unaudited)

WELL HEALTH TECHNOLOGIES CORP.

Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated, except share and per share amounts)

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024 Restated (Note 2(c))	June 30, 2025	June 30, 2024 Restated (Note 2(c))
	\$'000	\$'000	\$'000	\$'000
Revenue (Note 5)	356,673	227,312	650,810	450,795
Expenses				
Cost of sales (excluding depreciation and amortization)	(197,934)	(135,766)	(374,599)	(265,108)
General and administrative (Note 6)	(101,423)	(73,870)	(189,157)	(144,965)
Depreciation and amortization	(25,395)	(17,307)	(44,941)	(33,867)
Share-based payments (Note 16)	(5,815)	(4,765)	(8,280)	(10,242)
Foreign exchange gain	1,032	72	948	104
Operating income (loss)	27,138	(4,324)	34,781	(3,283)
Interest income (Note 7)	463	279	982	517
Interest expense (Note 7)	(12,909)	(9,689)	(24,315)	(19,230)
Time-based earnout expense (Note 8)	(5,137)	(15)	(5,352)	(2,127)
Change in fair value of investments (Note 10)	12,751	116,327	(22,484)	130,284
Change in fair value of derivative liability (Note 15(b))	2,130	-	2,130	-
Gain on disposal of assets and investments	-	-	24	11,284
Share of net (loss) income of associates	(117)	177	(2,497)	(887)
Other expenses	(1,398)	(3,573)	(3,463)	(6,033)
Income (loss) before income tax	22,921	99,182	(20,194)	110,525
Income tax (expense) recovery	(5,923)	6,392	(4,694)	8,832
Net income (loss)	16,998	105,574	(24,888)	119,357
Net income (loss) attributable to:				
Owners of WELL Health Technologies Corp.	12,151	103,690	(34,423)	114,681
Non-controlling interests	4,847	1,884	9,535	4,676
	16,998	105,574	(24,888)	119,357
Other comprehensive (loss) income:				
<i>Items that may be subsequently reclassified to profit or loss:</i>				
Exchange difference on translation of foreign operations	(24,113)	5,317	(24,283)	17,843
Fair value loss on derivative instruments designated in cash flow hedges	-	288	-	1,177
Reclassification of fair value loss (gain) on derivative instruments to net income	109	(130)	222	(259)
Total comprehensive (loss) income	(7,006)	111,049	(48,949)	138,118
Total comprehensive (loss) income attributable to:				
Owners of WELL Health Technologies Corp.	(12,212)	109,053	(58,968)	133,225
Non-controlling interests	5,206	1,996	10,019	4,893
	(7,006)	111,049	(48,949)	138,118
Earnings (loss) per share attributable to WELL Health Technologies Corp.				
Basic	0.05	0.42	(0.14)	0.47
Diluted	0.05	0.41	(0.14)	0.45
Weighted average number of common shares outstanding				
Basic	253,076,340	246,052,000	251,796,729	244,592,722
Diluted	257,378,009	255,063,044	251,796,729	254,206,013

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

WELL HEALTH TECHNOLOGIES CORP.

Consolidated Statements of Financial Position

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated)

As at	June 30, 2025 \$'000	December 31, 2024 \$'000
Assets		
Current		
Cash and cash equivalents	98,894	131,669
Accounts and other receivables (Note 9(a))	190,190	184,505
Contract assets (Note 9(b))	22,592	-
Inventory	2,854	2,691
Prepayments and other assets	44,070	27,248
Total current assets	358,600	346,113
Financial assets at fair value through profit and loss (Note 10)	13,014	158,476
Investments accounted for using the equity method (Note 11)	3,965	15,310
Prepayments and other assets – non-current	8,564	4,945
Property and equipment	110,909	101,762
Intangible assets (Note 12)	770,557	573,962
Goodwill (Note 12)	711,307	565,117
Deferred tax assets	42,165	41,588
Total assets	2,019,081	1,807,273
Liabilities and equity		
Current		
Accounts payable and accrued liabilities	108,378	86,583
Deferred revenue (Note 13)	58,632	59,450
Contract liabilities (Note 9(b))	19,625	-
Deferred acquisition costs (Note 14(a))	26,848	14,585
Other liabilities (Note 14(b))	44,782	27,982
Advances payable (Note 14(c))	72,277	165,441
Loans and borrowings (Note 15(a))	5,835	5,534
Convertible debentures (Note 15(b))	27,122	3,850
Lease liability	22,716	18,651
Total current liabilities	386,215	382,076
Deferred acquisition costs – non-current (Note 14(a))	31,581	16,354
Other liabilities – non-current (Note 14(b))	329	2,292
Loans and borrowings - non-current (Note 15(a))	391,242	284,731
Convertible debentures - non-current (Note 15(b))	57,733	51,244
Redeemable preferred shares (Note 15(c))	51,758	48,054
Lease liability – non-current	65,115	61,079
Deferred tax liabilities	49,662	31,722
Total liabilities	1,033,635	877,552
Equity		
Share capital (Note 16)	804,437	784,873
Share-based payments reserve (Note 16)	19,573	21,578
Convertible debenture options reserve (Note 16)	25,043	25,043
Accumulated other comprehensive income	42,543	67,088
Accumulated deficit	(65,398)	(30,975)
Equity attributable to owners of WELL Health Technologies Corp.	826,198	867,607
Non-controlling interests	159,248	62,114
Total equity	985,446	929,721
Total equity and liabilities	2,019,081	1,807,273

Commitments and contingencies (Notes 20 and 21(c))
Events after the reporting period (Notes 15, 21(c) and 23)
 Approved by the Directors:

"Hamed Shahbazi"

"Thomas Liston"

WELL HEALTH TECHNOLOGIES CORP.

Consolidated Statements of Changes in Equity

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated, except share amounts)

	Attributable to owners of WELL Health Technologies Corp.								
	Number of Shares	Share Capital \$'000	Share-based payments reserve \$'000	Convertible debenture options reserve \$'000	Accumulated Other Comprehensive Income \$'000	Accumulated Deficit \$'000	Total \$'000	Non- controlling Interests \$'000	Total Equity \$'000
Balance at December 31, 2024	249,091,940	784,873	21,578	25,043	67,088	(30,975)	867,607	62,114	929,721
Stock options exercised (Note 16)	80,500	331	(133)	-	-	-	198	-	198
Shares issued for RSUs/PSUs (Note 16)	1,997,169	8,325	(8,325)	-	-	-	-	-	-
Shares issued for settlement of deferred acquisition costs (Note 14(a))	2,170,275	11,285	-	-	-	-	11,285	-	11,285
Share-based payments (Note 16)	-	-	8,280	-	-	-	8,280	-	8,280
Normal course issuer bid (Note 16)	(64,400)	(377)	-	-	-	-	(377)	-	(377)
Non-controlling interests via business combination (Note 19(a))	-	-	-	-	-	-	-	97,594	97,594
Distributions paid to non-controlling interests	-	-	-	-	-	-	-	(12,114)	(12,114)
Changes in non-controlling interests	-	-	(1,827)	-	-	-	(1,827)	1,635	(192)
Derivative instruments designated in cash flow hedges	-	-	-	-	222	-	222	-	222
Foreign currency translation of foreign subsidiaries	-	-	-	-	(24,767)	-	(24,767)	484	(24,283)
Net (loss) income for the period	-	-	-	-	-	(34,423)	(34,423)	9,535	(24,888)
Balance at June 30, 2025	253,275,484	804,437	19,573	25,043	42,543	(65,398)	826,198	159,248	985,446
Balance at December 31, 2023	241,427,825	751,550	29,005	25,043	25,652	(63,584)	767,666	78,480	846,146
Stock options exercised	1,573,907	4,923	(1,828)	-	-	-	3,095	-	3,095
Shares issued for RSUs/PSUs	2,826,434	13,514	(13,514)	-	-	-	-	-	-
Shares issued for settlement of deferred acquisition costs	1,767,874	6,899	-	-	-	-	6,899	-	6,899
Shares issued for time-based earnout payments	537,563	2,144	-	-	-	-	2,144	-	2,144
Share-based payments (Note 16)	-	-	10,242	-	-	-	10,242	-	10,242
Normal course issuer bid (Note 16)	(119,400)	(444)	-	-	-	-	(444)	-	(444)
Distributions paid to non-controlling interests	-	-	-	-	-	-	-	(15,749)	(15,749)
Foreign currency translation of foreign subsidiaries (restated)	-	-	-	-	17,626	-	17,626	217	17,843
Derivative instruments designated in cash flow hedges	-	-	-	-	918	-	918	-	918
Net income for the period (restated)	-	-	-	-	-	114,681	114,681	4,676	119,357
Balance at June 30, 2024	248,014,203	778,586	23,905	25,043	44,196	51,097	922,827	67,624	990,451

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

WELL HEALTH TECHNOLOGIES CORP.

Consolidated Statements of Cash Flows

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated)

	Six months ended	
	June 30, 2025 \$'000	June 30, 2024 \$'000
Cash flows provided by (used in)		
Operating activities		
Net (loss) income for the period	(24,888)	119,357
<i>Adjustments to net (loss) income for non-cash items:</i>		
Interest income accretion	(465)	(308)
Interest expense accretion	12,789	7,609
Time-based earnout payments settled via shares	-	2,144
Unrealized foreign exchange and others	(6,947)	3,652
Loss (gain) on revaluation of deferred acquisition cost liability	5,550	(1,237)
Change in fair value of investments	22,484	(130,284)
Change in fair value of derivative liability	(2,130)	-
Depreciation and amortization	44,941	33,867
Gain on disposal of investments	-	(11,284)
Share of net loss of associates	2,497	887
Share-based payments (Note 16)	8,280	10,242
(Gain) loss on deferred acquisition cost settled in shares	(1,921)	175
Non-cash loss included in other expenses	753	-
Deferred income taxes	(1,692)	(14,514)
Change in non-cash operating items (Note 22)	(10,614)	(45,403)
Net cash provided by (used in) operating activities	48,637	(25,097)
Investing activities		
Business acquisitions, net of cash acquired (Notes 19 and 22)	(12,376)	(100)
Asset acquisitions (Notes 19 and 22)	(6,437)	-
Net proceeds from disposal of investments	-	2,390
Equity and debt investments in associates and others (Note 22)	(6,807)	-
Acquisition of property and equipment and internally generated intangible assets	(11,385)	(6,351)
Working capital/Indemnity holdbacks	(750)	(1,252)
Settlement of deferred acquisition costs (Note 14(a))	-	(6,492)
Net cash used in investing activities	(37,755)	(11,805)
Financing activities		
Shares repurchased under NCIB (Note 16)	(377)	(444)
Payment of interest on convertible debentures (Note 15(b))	(2,675)	(1,925)
Advances received from billing service provider (Note 14(c))	-	79,325
Repayments of advances to billing service provider (Note 14(c))	(87,140)	-
Proceeds from loans and borrowings	89,934	23,769
Repayments of loans and borrowings	(17,306)	(40,632)
Proceeds from stock options exercised	198	3,095
Transactions with non-controlling interests	(12,194)	(15,749)
Lease payments	(12,308)	(9,306)
Lease payments received	676	415
Net cash (used in) provided by financing activities	(41,192)	38,548
Effects of foreign exchange difference on cash and cash equivalents	(2,465)	778
Cash reclassified from assets held for sale	-	703
Net change in cash	(32,775)	3,127
Cash and cash equivalents - beginning of period	131,669	43,423
Cash and cash equivalents - end of period	98,894	46,550
Cash paid for:		
Interest	(14,205)	(13,437)
Income tax	(8,962)	(4,324)

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

WELL HEALTH TECHNOLOGIES CORP.

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated, except share and per share amounts)

1. Nature of Operations

WELL Health Technologies Corp. (the "Company" or "WELL") is a practitioner-focused digital healthcare company. WELL's overarching mission is to positively impact health outcomes by leveraging technology to empower healthcare practitioners and their patients globally. The Company was incorporated under the Business Corporations Act of British Columbia on November 23, 2010. The Company's common shares trade on the Toronto Stock Exchange (the "TSX") under the symbol WELL.

The Company's head office is located at Suite 550 - 375 Water Street, Vancouver, BC, V6B 5C6.

These condensed interim consolidated financial statements were approved by the Company's Board of Directors and authorized for issuance on August 13, 2025.

2. Basis of Presentation

(a) Statement of compliance

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. These condensed interim consolidated financial statements should be read in conjunction with the December 31, 2024 audited annual consolidated financial statements, which have been prepared in accordance with IFRS Accounting Standards.

These condensed interim consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value. All financial information in these condensed interim consolidated financial statements, except share and per share amounts, is presented in thousands of Canadian dollars, which is the functional currency of the Company. All amounts are rounded to the nearest thousands of Canadian dollars.

(b) Foreign Currency Translation

The condensed interim consolidated financial statements are presented in Canadian dollars. Each subsidiary determines its functional currency based on the primary economic environment in which it operates.

Assets and liabilities of foreign subsidiaries with a different functional currency are translated into Canadian dollars using exchange rates in effect at the balance sheet date. Revenues and expenses are translated at average rates during the period. Translation reserve adjustments are recorded in translation reserve within equity and are reclassified to earnings upon disposal of the foreign operation. Foreign currency transactions are recorded at exchange rates in effect at the transaction date, with resulting gains or losses from remeasurement of monetary items recognized in earnings.

WELL HEALTH TECHNOLOGIES CORP.

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated, except share and per share amounts)

(c) Restatements of Prior periods

During the year ended December 31, 2024, the Company's 70%-owned Delaware subsidiary, Circle Medical Technologies, Inc. ("Circle Medical"), performed certain patient services, collected cash from its customers and recognized revenue. While preparing its audited annual consolidated financial statements for the year ended December 31, 2024, the Company determined that it had not met revenue recognition criteria related to right to payment under IFRS 15, "Revenue from Contracts with Customers" in relation to these patient services. As a consequence, revenue had been overstated in the Company's condensed interim consolidated financial statements for each of the periods ended March 31, 2024, June 30, 2024 and September 30, 2024. The Company has retrospectively restated certain financial information reported in its condensed interim consolidated financial statements for these periods. The following table summarizes the impact of the restatement on the condensed interim consolidated statement of income for the three and six months ended June 30, 2024:

Consolidated Statement of Income

	Impact for three months ended June 30, 2024			Impact for six months ended June 30, 2024		
	As previously reported	Adjustments	As restated	As previously reported	Adjustments	As restated
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	243,147	(15,835)	227,312	474,709	(23,914)	450,795
Income before income tax	115,017	(15,835)	99,182	134,439	(23,914)	110,525
Income tax recovery	1,959	4,433	6,392	2,137	6,695	8,832
Net income	116,976	(11,402)	105,574	136,576	(17,219)	119,357
Net income attributable to:						
Owners of Well Health Technologies Corp.	111,717	(8,027)	103,690	126,804	(12,123)	114,681
Non-controlling interests	5,259	(3,375)	1,884	9,772	(5,096)	4,676
	116,976	(11,402)	105,574	136,576	(17,219)	119,357
Other comprehensive income	5,525	(50)	5,475	18,833	(72)	18,761
Total comprehensive income	122,501	(11,452)	111,049	155,409	(17,291)	138,118
Total comprehensive income attributable to:						
Owners of Well Health Technologies Corp.	117,130	(8,077)	109,053	145,420	(12,195)	133,225
Non-controlling interests	5,371	(3,375)	1,996	9,989	(5,096)	4,893
	122,501	(11,452)	111,049	155,409	(17,291)	138,118
Earnings per share attributable to WELL Technologies Corp.						
Basic	0.45	(0.03)	0.42	0.52	(0.05)	0.47
Diluted	0.43	(0.02)	0.41	0.48	(0.03)	0.45

Consolidated Statement of Changes in Equity

Foreign currency translation of foreign subsidiaries	5,255	(50)	5,205	17,698	(72)	17,626
Net income	116,976	(11,402)	105,574	136,576	(17,219)	119,357
Total equity as at June 30, 2024	1,007,742	(17,291)	990,451	1,007,742	(17,291)	990,451

WELL HEALTH TECHNOLOGIES CORP.

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated, except share and per share amounts)

3. Material Accounting Policy Information

- (a) The preparation of these condensed interim consolidated financial statements is based on accounting principles and practices consistent with those used in the preparation of the Company's December 31, 2024 audited annual consolidated financial statements.
- (b) The International Accounting Standards Board ("IASB") issued the following new accounting standards or amendments that will become effective on future dates.

IFRS 9 and IFRS 7 Amendments

On May 30, 2024, the IASB issued amendments to IFRS 9, "Financial Instruments" and IFRS 7, "Financial Instruments: Disclosures". The amendments clarify the timing of recognition and derecognition for a financial asset or financial liability, including clarifying that a financial liability is derecognized on the settlement date. In addition to these clarifications, the amendments introduce an accounting policy choice to derecognize financial liabilities settled using an electronic payment system before the settlement date, if specific conditions are met. Also included in the amendments, are clarifications regarding the classification of financial assets, including those with features linked to environmental, social and corporate governance. Under the amendments, additional disclosures are required for financial instruments with contingent features and investments in equity instruments classified at fair value through other comprehensive income. These amendments are effective for annual reporting periods beginning on or after January 1, 2026. Early adoption is permitted, with an option to early adopt only the amendments to the classification of financial assets. The Company is assessing the impacts of the IFRS 9 and IFRS 7 amendments on its consolidated financial statements.

IFRS 18

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

4. Critical Accounting Estimates and Judgments

The preparation of interim financial statements in accordance with IFRS Accounting Standards requires management to make judgements, 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. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the December 31, 2024 audited annual consolidated financial statements.

WELL HEALTH TECHNOLOGIES CORP.

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated, except share and per share amounts)

5. Revenue

The following table shows the details of revenues for the three and six months ended June 30, 2025 and 2024:

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
		Restated		Restated
	\$'000	\$'000	\$'000	\$'000
Public insured	118,738	78,151	213,598	149,166
Non-public and other	187,866	132,295	366,223	269,333
Patient Services	306,604	210,446	579,821	418,499
SaaS and Technology Services	50,069	16,866	70,989	32,296
Total Revenue	356,673	227,312	650,810	450,795

6. General and Administrative Expenses

The following table shows the details of general and administrative expenses for the three and six months ended June 30, 2025 and 2024:

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$'000	\$'000	\$'000	\$'000
Salaries and benefits	58,167	36,259	101,229	73,096
Marketing and promotion	22,863	20,937	46,410	38,941
Professional and consulting fees	4,559	5,264	11,537	10,506
Office expenses	7,721	6,084	14,741	12,412
Other	8,113	5,326	15,240	10,010
	101,423	73,870	189,157	144,965

WELL HEALTH TECHNOLOGIES CORP.

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated, except share and per share amounts)

7. Interest Income and Expense

The following table shows a breakdown of interest income and interest expense for the three and six months ended June 30, 2025 and 2024:

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$'000	\$'000	\$'000	\$'000
Interest accretion on subleases	45	168	71	308
Interest income on cash and cash equivalents and others	418	111	911	209
Interest income	463	279	982	517
Interest on loans and borrowings	(6,653)	(6,009)	(12,221)	(11,621)
Interest on convertible debentures	(2,716)	(2,317)	(5,299)	(4,635)
Interest on redeemable preferred shares (Note 15(c))	(1,913)	-	(3,761)	-
Interest accretion on lease liability	(1,094)	(913)	(2,036)	(1,856)
Amortization of deferred financing fees	(319)	(326)	(642)	(784)
Accretion of discount on deferred acquisition costs (Note 14(a))	(214)	(124)	(356)	(334)
Interest expense	(12,909)	(9,689)	(24,315)	(19,230)

8. Time-based Earnout Expense

The following table shows a breakdown of time-based earnout expense for the three and six months ended June 30, 2025 and 2024:

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$'000	\$'000	\$'000	\$'000
Time-based earnout (recovery) expense	(283)	1,185	1,723	3,107
Loss (gain) on settlement of certain deferred acquisition cost and time-based earnout liabilities via shares (Note 14(a))	-	68	(1,921)	258
Loss (gain) on revaluation of deferred acquisition cost liability (Note 14(a))	5,420	(1,238)	5,550	(1,238)
	5,137	15	5,352	2,127

WELL HEALTH TECHNOLOGIES CORP.

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated, except share and per share amounts)

9. Accounts and Other Receivables, and Contract assets and liabilities

a) Accounts and Other Receivables

The following table shows the details of the Company's accounts and other receivables as at June 30, 2025 and December 31, 2024:

	June 30, 2025 \$'000	December 31, 2024 \$'000
Accounts Receivable - gross	198,452	188,744
Less: Expected credit losses	(8,262)	(4,239)
	190,190	184,505
Accounts receivable - gross		
Canadian Patient Services - Primary	15,722	15,034
Canadian Patient Services - Specialized - MyHealth	21,310	13,322
U.S. Patient Services - Primary - Circle	7,892	11,936
U.S. Patient Services - Primary - WISP	1,456	1,300
U.S. Patient Services - Specialized - CRH Medical	85,557	100,284
U.S. Patient Services - Specialized - Provider Staffing	28,599	19,073
HEALWELL	21,122	-
SAAS and Technology Services	16,243	20,214
Other receivables	551	7,581
	198,452	188,744

In February 2024, CRH Medical Corporation's ("CRH") former third-party billing service provider experienced a cyberattack and system shutdown and was unable to process billings or payments from CRH's customers for an extended period of time. This resulted in an increase in CRH's accounts receivable over several months in 2024. The billing service provider subsequently restored claims submission and payment functionality and as of August 2024, CRH resumed regular processes. CRH subsequently collected \$79,452 up to December 31, 2024 and \$29,866 during the six months ended June 30, 2025, and offset the payments against accounts receivable. During the year ended December 31, 2024, the Company received cash advance payments of \$165,441 directly from the billing service provider under a temporary funding assistance program to provide funding relief to CRH for the delayed collections and during the six months ended June 30, 2025, the Company repaid \$87,410 of the advances from the billing service provider. The advance payments have been recognized as advances payable on the Company's consolidated statements of financial position and have not been offset against accounts receivable (Note 14(c)).

The Company evaluates credit losses on a periodic basis based on the aging and collectability of its accounts receivable. As at June 30, 2025, the Company recognized expected credit losses of \$8,262 (December 31, 2024 - \$4,239), which have been recorded as a reduction of accounts receivable. The expected lifetime credit loss provision for trade receivables is based on historical counterparty default rates and is adjusted for relevant forward-looking information as required.

WELL HEALTH TECHNOLOGIES CORP.

Notes to Condensed Interim Consolidated Financial Statements

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b) Contracts assets and liabilities

Each customer is billed in accordance with the terms of the contractual arrangement that it has entered with the Company. This means that customer billing and payments are not always aligned with revenue recognition. Contract assets arise when revenue is recognized prior to a customer being billed. Contract liabilities arise when a customer is billed in advance of revenue being earned.

	June 30, 2025 \$'000	December 31, 2024 \$'000
Contract assets	22,592	-
Contract liabilities	(19,625)	-

10. Financial Assets at Fair Value Through Profit and Loss

The following table provides the carrying values of the Company's investments in financial assets measured at fair value through profit and loss as at June 30, 2025 and December 31, 2024:

		June 30, 2025 \$'000	December 31, 2024 \$'000
HEALWELL	(a)	-	147,824
Tali.ai		2,154	2,154
Phelix		2,859	2,859
Anesthesia RCM	(b)	-	2,901
Funds holding X.AI Securities		4,606	-
Others		3,395	2,738
		13,014	158,476

Financial asset investments include debt, equity and derivative instruments and are measured at fair value through profit and loss (FVPL) in accordance with IFRS 9. The Company uses various fair value techniques to estimate the fair value of these investments. During the six months ended June 30, 2025, the Company recognized fair value losses of \$22,484 made up of \$35,235 loss on the HEALWELL financial assets offset by \$11,444 of remeasurement gain as part of its previously held equity interest in HEALWELL at its acquisition-date fair value (six months ended June 30, 2024 - \$nil) and fair value gain of \$1,307 on all other financial assets (six months ended June 30, 2024 – fair value gains of \$130,284 on the HEALWELL financial assets, made up of \$39,640 on the convertible debentures, \$35,870 on the warrants and \$54,774 on the call option).

WELL HEALTH TECHNOLOGIES CORP.

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(a) Investment in HEALWELL AI Inc. ("HEALWELL")

On October 1, 2023, as part of a strategic alliance and investment transaction with HEALWELL, the Company acquired an interest in HEALWELL in the form of convertible debentures, warrants and a call option.

During the three months ended March 31, 2025, the Company recognized fair value losses of \$35,235 on the HEALWELL financial assets (\$14,975 on the convertible debentures, \$5,544 on the warrants and \$14,716 on the call option) and accrued interest income of \$94 on the convertible debentures.

On March 26, 2025, the Company exercised 20,312,500 HEALWELL share purchase warrants for total consideration of \$4,375 and converted all outstanding HEALWELL convertible debentures and interest accrued thereon. The fair value of the HEALWELL Class A Subordinate Shares acquired upon exercise and conversion of these instruments of \$70,550 was reclassified to investments accounted for using the equity method on the Company's consolidated statement of financial position as of March 26, 2025.

On April 1, 2025, the Company and the HEALWELL founders amended the terms of the conditional call option held by the Company to acquire up to 30,800,000 Class A Subordinate Voting Shares of HEALWELL at \$0.125 per share and 30,800,000 Class B Multiple Voting shares of HEALWELL at \$0.0001 per share. The amendment removed the trigger condition requiring HEALWELL to achieve positive consolidated Adjusted EBITDA for two consecutive quarters and replaced it with the closing of HEALWELL's acquisition of Orion Health Holdings Limited ("Orion Health"). On April 1, 2025, HEALWELL closed the acquisition of Orion Health making the call option exercisable, and the Company exercised the call option to acquire 30,800,000 Class A Subordinate Voting Shares and 30,800,000 Class B Multiple Voting shares of HEALWELL for total consideration of \$3,853.

Following these transactions, as at April 1, 2025, the Company held 97,223,161 Class A Subordinate Shares and 30,800,000 Class B Multiple Voting shares of HEALWELL, representing a 37% economic interest and a 69% voting interest in HEALWELL on a non-diluted basis. As a result of having majority voting control and an ability to nominate the majority of HEALWELL's Board of Directors, the Company obtained control of HEALWELL under IFRS Accounting Standards, and accordingly, began consolidating the financial results of HEALWELL as a subsidiary of the Company effective April 1, 2025 (Note 19).

(b) Investment in an anesthesia revenue cycle management organization ("Anesthesia RCM")

Effective January 1, 2025, CRH entered into a unit redemption and release agreement with Anesthesia RCM, whereby Anesthesia RCM redeemed all shares held by CRH. In exchange, Anesthesia RCM agreed to reduce its aggregate fees charged to CRH and its affiliates in the state of Florida by 1% over a five-year period. The initial asset was recognized at \$2,898 being the estimated fair value of the future fee reductions. As at June 30, 2025, the investment has been derecognized and \$2,606 has been recorded in other assets, current and non-current on the Company's consolidated statement of financial position.

WELL HEALTH TECHNOLOGIES CORP.

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11. Investments Accounted for Using the Equity Method

		June 30, 2025 \$'000	December 31, 2024 \$'000
HEALWELL	(a)	-	11,800
Pillway		3,227	3,510
Others		738	-
		3,965	15,310

(a) Investment in HEALWELL

On January 21, 2025, the Company subscribed for 500,000 subscription receipts in HEALWELL for an aggregate subscription price of \$1,000 which entitled the Company to receive, upon satisfaction of certain release conditions, 500,000 Class A Subordinate Voting shares of HEALWELL and 250,000 share purchase warrants with each warrant exercisable into one Class A Subordinate Voting share at \$2.50 per share for a period of 36 months. On April 1, 2025, the release conditions were satisfied and the Company received the shares and share purchase warrants in accordance with the terms of the subscription agreement.

On March 26, 2025, the Company exercised 20,312,500 HEALWELL share purchase warrants for total consideration of \$4,375 and converted all outstanding HEALWELL convertible debentures and interest accrued thereon, and reclassified the fair value of the HEALWELL Class A Subordinate Voting Shares acquired in these transactions of \$70,550 to investments accounted for using the equity method as of March 26, 2025.

On April 1, 2025, the Company exercised its call option to acquire 30,800,000 Class A Subordinate Voting Shares and 30,800,000 Class B Multiple Voting shares of HEALWELL, increasing the Company's economic interest to 37% and voting interest to 69% resulting the acquisition of control of HEALWELL (Note 10(a)) (December 31, 2024 – economic interest of 13% and voting interest of 14%). The equity method investment in HEALWELL was derecognized and HEALWELL became a consolidated subsidiary.

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12. Intangible Assets and Goodwill

	Customer relationships \$'000	Technology \$'000	Brands \$'000	Licences \$'000	Intangibles Total \$'000	Goodwill \$'000
COST						
Balance at December 31, 2023	441,445	30,001	14,824	181,761	668,031	508,061
Acquired via asset acquisitions (Note 19)	20,185	-	-	-	20,185	-
Acquired via business combination (Note 19)	9,023	2,993	-	-	12,016	28,332
Internally generated intangible assets	-	9,821	-	-	9,821	-
Exchange difference on foreign currency translation and other	46,011	1,068	631	-	47,710	28,724
Balance at December 31, 2024	516,664	43,883	15,455	181,761	757,763	565,117
Acquired via business combination (Note 19)	132,220	58,359	33,122	-	223,701	164,148
Acquired via asset acquisitions (Note 19)	13,570	-	-	-	13,570	-
Internally generated intangible assets	-	6,663	-	-	6,663	-
Exchange difference on foreign currency translation and other	(34,521)	37	(534)	-	(35,018)	(17,958)
Balance at June 30, 2025	627,933	108,942	48,043	181,761	966,679	711,307
ACCUMULATED AMORTIZATION						
Balance at December 31, 2023	(102,911)	(7,080)	(2,840)	-	(112,831)	-
Amortization for the period	(46,014)	(3,182)	(997)	-	(50,193)	-
Exchange difference on foreign currency translation	(19,924)	(719)	(134)	-	(20,777)	-
Balance at December 31, 2024	(168,849)	(10,981)	(3,971)	-	(183,801)	-
Amortization for the period	(23,815)	(2,300)	(5,369)	-	(31,484)	-
Exchange difference on foreign currency translation and other	18,983	148	32	-	19,163	-
Balance at June 30, 2025	(173,681)	(13,133)	(9,308)	-	(196,122)	-
NET CARRYING AMOUNTS						
As at December 31, 2024	347,815	32,902	11,484	181,761	573,962	565,117
As at June 30, 2025	454,252	95,809	38,735	181,761	770,557	711,307

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The Company acquired \$223,737 of intangible assets via business combination, comprising customer relationships, technology, and brands.

The customer relationship assets were valued using key inputs such as revenue growth rates, customer attrition rates, and a discount rate determined using the capital asset pricing model, and have an estimated useful life of ten years.

The brand was valued using the relief-from-royalty method, incorporating assumptions on royalty rates benchmarked to comparable market transactions, forecast revenue attributable to the brand, and a market-based discount rate, with an estimated useful life of ten years.

The technology was valued using assumptions on royalty rates, a technology migration factor, and a market-based discount rate, with an estimated useful life of ten years.

Goodwill is monitored by management at the level of the following CGU(s) or group of CGUs, with the allocation summarised below:

CGU or group of CGUs	Carrying value of goodwill in CGU or group of CGUs
Primary Care	99,776
CRH Medical	252,451
CRH Provider Staffing	45,027
WDC	45,136
Circle Medical	15,171
Wisp	40,859
WELLSTAR and other	64,541
HEALWELL	132,217
CyberWELL	16,129
	711,307

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13. Deferred Revenue

	June 30, 2025 \$'000	December 31, 2024 \$'000
Balance, beginning of period	59,450	6,903
Acquired via business combinations (Note 19)	551	-
Billings	35,522	82,479
Revenue recognized	(34,090)	(32,567)
Exchange difference	(2,801)	2,635
Balance, end of period	58,632	59,450
Current	58,632	59,450
Non-current	-	-
Balance, end of period	58,632	59,450

Deferred revenue represents cash received by the Company from customers for which either goods or services have not yet been delivered, or the criteria for revenue recognition under IFRS 15, "Revenue from Contracts with Customers", have not been fully met.

As at June 30, 2025, deferred revenue includes the following amounts billed:

	June 30, 2025 \$'000	December 31, 2024 \$'000
U.S. Patient Services - Primary - Circle Medical	50,782	53,949
Other operating segments	7,850	5,501
	58,632	59,450

During the six months ended June 30, 2025, Circle Medical received cash of \$15,020 from customers for patient services rendered and recognized it as deferred revenue as at June 30, 2025 as it has not met criteria related to the right to payment under IFRS 15, "Revenue from Contracts with Customers" (six months ended June 30, 2024 – \$23,436) (Note 2(c)).

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14. Deferred Acquisition Costs and Other Liabilities

(a) Deferred acquisition costs

Deferred acquisition costs are liabilities for time-based earnout payments that are treated as purchase consideration for business combinations and asset acquisitions (Note 19).

	June 30, 2025 \$'000	December 31, 2024 \$'000
Current	26,848	14,585
Non-current	31,581	16,354
	58,429	30,939

	\$'000
Balance at December 31, 2023	37,071
Additions via business combinations and asset acquisitions (Note 19)	4,530
Accretion of discount	735
Settlement in cash	(7,542)
Settlement in common shares	(6,899)
Loss on settlement via shares	175
Loss on revaluation included in time-based earnout expense	3,029
Exchange difference and other	(160)
Balance at December 31, 2024	30,939
Additions via business combinations and asset acquisitions (Note 19)	34,560
Accretion of discount	356
Settlement in common shares	(11,285)
Gain on settlement via shares	(1,921)
Loss on revaluation included in time-based earnout expense	5,550
Exchange difference and other	230
Balance at June 30, 2025	58,429

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(b) Other liabilities

	June 30, 2025 \$'000	December 31, 2024 \$'000
<i>Current:</i>		
Payroll liabilities and others	28,715	18,680
Time-based earnouts	8,649	6,040
Income tax payable	4,765	661
Working capital holdback	2,653	2,601
	44,782	27,982
<i>Non-current:</i>		
Others	329	2,292

(c) Advances payable

During the six months ended June 30, 2025, the Company received \$nil (six months ended June 30, 2024 - \$79,325; year ended December 31, 2024 - \$165,441) of cash advance payments from CRH's third-party billing service provider. The advance payments were paid under a temporary funding assistance program to provide funding relief to CRH after the billing service provider experienced a cybersecurity attack and system shutdown and was unable to process billings or payments from CRH's customers. Amounts provided under this program are subject to repayment within 30 days of notification of repayment and have been recorded as advances payable on the Company's consolidated statements of financial position. During the six months ended June 30, 2025, the Company repaid \$87,410 (year ended December 31, 2024 - \$nil) of the advances from the billing service provider, leaving a balance outstanding of \$72,277 as of June 30, 2025 (December 31, 2024 - \$165,441).

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15. Loans and Borrowings, Convertible Debentures and Redeemable Preferred Shares

(a) Syndicated credit facilities

	June 30, 2025 \$'000	December 31, 2024 \$'000
CRH syndicated credit facility with JPM:		
Revolving loan	163,706	124,670
Term loan	69,409	75,183
WHCC and MyHealth syndicated credit facility with RBC:		
Revolving loan	79,500	50,700
Term loan	40,625	41,875
HEALWELL syndicated credit facility with BNS:		
Revolving loan	24,250	-
Term loan	20,000	-
Other loans and borrowings	2,097	387
Less: Financing fees	(2,510)	(2,550)
Total Loans and Borrowings	397,077	290,265
Current portion	5,835	5,534
Non-current portion	391,242	284,731
Total Loans and Borrowings	397,077	290,265

- (i) WELL Health Clinics Canada Inc. ("WHCC") and MyHealth Partners Inc. ("MyHealth") syndicated credit facility with Royal Bank of Canada ("RBC"):

The Company, through its wholly-owned subsidiaries, WHCC and MyHealth, holds a syndicated five-year revolving credit facility and a term loan with RBC as syndicate lead which provides up to \$90,000 revolving facility, a \$50,000 term loan facility and access to an accordion feature that increases the amount of the credit available to the Company by \$60,000. On July 7, 2025, the Company exercised the accordion and increased the revolving facility to \$149,391 and extended the maturity date to July 15, 2027. All other terms remain unchanged.

- (ii) HEALWELL credit facility with The Bank of Nova Scotia ("BNS")

HEALWELL holds a credit agreement with a syndicate of lenders led by BNS, including a senior secured credit facilities consisting of a \$30,000 revolving credit facility (including a \$5,000 swingline tranche), a \$20,000 non-revolving term facility and a \$1,000 credit card facility. The credit facilities mature on March 4, 2028. The term loan is repayable in quarterly principal installments of \$250, with mandatory prepayments under specified conditions. Interest is calculated based on a tiered pricing grid tied to the Orion Health's leverage ratio, with rates

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based on Prime, US Base Rate, CORRA, or SOFR. The facilities are secured by a first-ranking charge over all present and after-acquired property of Orion Health and its direct and indirect parents and subsidiaries. The agreement includes an accordion feature allowing for an increase in the revolving facility by up to \$25,000, subject to lender consent.

(iii) Financial covenants

The Company's syndicated credit facilities with loans outstanding of \$233,115 with JPMorgan Chase Bank, N.A. ("JPM"), \$120,125 with RBC, and \$44,250 with BNS are subject to financial covenants based on the consolidated financial results of CRH, WHCC and MyHealth, and Orion Health. Financial covenants include maintenance of certain leverage ratios, fixed charge coverage ratios and guarantor and capital expenditure thresholds and compliance is evaluated quarterly as of March 31, June 30, September 30 and December 31 of each year. The Company was in compliance with all financial covenants and other terms and conditions under its syndicated credit facilities as of June 30, 2025.

(iv) Minimum principal repayments

Total minimum principal repayments under the syndicated credit facilities were as follows as at June 30, 2025:

	CRH (JPM) \$'000	WHCC and MyHealth (RBC) \$'000	HEALWELL (BNS) \$'000
Remainder of 2025	1,876	1,250	500
2026	3,752	118,875	1,000
2027	227,487	-	1,000
2028	-	-	41,750
	233,115	120,125	44,250

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(b) Convertible debentures and derivative liability

	June 30, 2025 \$'000	December 31, 2024 \$'000
Current	27,122	3,850
Non-current	57,733	51,244
	84,855	55,094

	Convertible debentures \$'000	Derivative liability \$'000
Balance as of December 31, 2023	49,421	-
Interest accretion	9,523	-
Interest paid	(3,850)	-
Balance as of December 31, 2024	55,094	-
Acquired via business acquisition (Note 19(a))	21,496	7,046
Interest accretion	6,048	-
Interest paid	(2,675)	-
Change in fair value of derivative liability	-	(2,129)
Conversion into subsidiary's shares	(25)	-
Balance as of June 30, 2025	79,938	4,917
Current	22,205	4,917
Non-current	57,733	-

(i) HEALWELL Debenture Payable

In connection with the Orion Health acquisition, HEALWELL completed a series of financing transactions comprising a \$30,000 convertible debenture offering, a \$25,500 equity offering, and a \$50,000 senior credit facility. The equity financing and convertible debenture offering were completed on January 21, 2025, and HEALWELL issued 30,000 subscription receipts with an aggregate principal amount of \$30,000 at a discounted purchase price of \$910 per receipt. Each receipt entitles the holder to \$1,000 principal amount of convertible debentures (the "2025 Debentures"), bearing interest at 10% annually, payable semi-annually on June 30 and December 31, beginning after issuance. The 2025 Debentures mature on December 31, 2029.

The principal amount of the 2025 Debentures is convertible into HEALWELL Class A Subordinate Voting Shares at a fixed conversion price of \$2.40 per share, subject to standard anti-dilution adjustments. Holders may convert at any time prior to maturity, and accrued interest is payable in cash upon conversion. HEALWELL may redeem the 2025 Debentures, in whole or in part, at 110% of principal plus accrued interest, at any time between December 31, 2027 and December 31, 2029. In the event of a Change of Control, HEALWELL is required to repurchase the 2025 Debentures.

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Additionally, HEALWELL holds a Mandatory Conversion right whereby, if the 10-day volume-weighted average price (VWAP) of HEALWELL Class A Subordinate Voting Shares exceeds \$3.85 at any time after 10 trading days following four months and one day from the issuance date, it may require holders to convert their 2025 Debentures into HEALWELL Class A Subordinate Voting Shares at the \$2.40 conversion price, with accrued and unpaid interest payable in cash.

The 2025 Debentures are a hybrid financial instrument comprising liability, the derivative liability assigned to the holder conversion option, and equity components. On initial recognition, the transaction price was allocated to the liability and derivative liability components based on their standalone fair values, with any residual assigned to equity. Post-recognition, the liability is measured at amortized cost, the derivative liability at fair value through profit or loss, and the equity component is not subsequently remeasured.

(c) Redeemable preferred shares

On December 11, 2024, the Company's subsidiary, WELLSTAR Technologies Corp. ("WELLSTAR") issued Series A Preferred Shares for gross proceeds of \$50,378 (net proceeds of \$47,645 after issuance costs). The preferred shares are redeemable at the option of the holders for a fixed return at any time after December 31, 2026. If a holder exercises the redemption option, the Company has a call right to purchase the preferred shares and the holder has a put right to require the Company to purchase the preferred shares at a price equal to the holder's redemption price. The preferred shares automatically convert into a variable number of subordinate voting shares of WELLSTAR at a discounted price upon a qualifying initial public offering or reverse takeover public listing, or alternative liquidity transaction. The preferred shares are entitled to quarterly dividends commencing March 31, 2026 at an increasing rate over time. The dividends will accrue as notional preferred shares until the occurrence of a liquidity event, redemption or other liquidation event in accordance with the terms of the preferred shares. The preferred shares have been classified as a liability in the consolidated statements of financial position of WELLSTAR and the Company due to the redemption feature at the option of the holders and other terms that result in the instrument meeting the definition of a financial liability. The financial liability was initially recognized at \$47,645, being fair value less transaction costs and is subsequently being measured at amortized cost using the effective interest rate method. For the six months ended June 30, 2025, the Company recognized interest expense of \$3,761 on the redeemable preferred shares liability (six months ended June 30, 2024 - \$nil).

	June 30, 2025 \$'000	December 31, 2024 \$'000
Balance, beginning of period	48,054	-
Proceeds from issuance	-	50,378
Issuance costs	(57)	(2,733)
Interest accretion	3,761	409
Balance, end of period	51,758	48,054

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16. Share Capital

(a) Authorized

Unlimited common shares without par value.

(b) Issued Common Shares

As at June 30, 2025, the issued share capital consisted of 253,275,484 (December 31, 2024 – 249,091,940) common shares.

(c) Normal Course Issuer Bid ("NCIB")

(i) 2024 NCIB

On June 6, 2024, the Company received approval from the TSX for a renewal of the NCIB that expired on June 4, 2024. Under the renewed 2024 NCIB, the Company could have acquired up to an aggregate of 6,154,501 common shares from June 10, 2024 to June 9, 2025. In accordance with TSX rules, daily purchases made by the Company on the TSX could not have exceeded 209,016 common shares, subject to certain prescribed exemptions, being 25% of the average daily trading volume over the preceding six calendar months of 836,067 common shares. On January 16, 2025, the 2024 NCIB program was cancelled due to the TSX approved broker deciding to wind down its operations and cease executing trade orders. As of January 15, 2025, 127,000 common shares were purchased under the prior NCIB, and 298,500 common shares were purchased under the 2024 NCIB.

(ii) 2025 NCIB

On May 20, 2025, the Company received early renewal approval of its NCIB that was set to expire on June 9, 2025 from the TSX. Under the renewed NCIB, the Company may acquire up to an aggregate of 6,326,417 common shares from May 20, 2025 to May 19, 2026. In accordance with TSX rules, daily purchases made by the Company on the TSX cannot exceed 284,830 common shares, subject to certain prescribed exemptions, being 25% of the average daily trading volume over the preceding six calendar months of 1,139,321 common shares. As of August 13, 2025, 161,400 shares have been purchased under the 2025 NCIB.

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(d) Options to purchase common shares

(i) Movement in stock options

The changes in stock options during the six months ended June 30, 2025 and the year ended December 31, 2024 were as follows:

	June 30, 2025		December 31, 2024	
	Number of options	Weighted average exercise price \$	Number of options	Weighted average exercise price \$
Balance outstanding, beginning of year	365,500	2.89	1,980,873	1.79
Options exercised	(80,500)	(2.37)	(1,615,373)	(1.53)
Balance outstanding, end of period	285,000	3.04	365,500	2.89

During six months ended June 30, 2025 and 2024, the Company recognized share-based payments of \$379 and \$392 respectively, relating to stock options in the condensed interim consolidated statements of income (loss).

(ii) Stock options outstanding at the end of the period

The following table summarizes information relating to outstanding and exercisable stock options of the Company as at June 30, 2025:

Exercise price \$	Options outstanding	Options exercisable	Weighted average remaining contractual life (years)
2.24	40,000	40,000	0.05
3.06	100,000	68,750	2.25
3.25	145,000	145,000	0.08
	285,000	253,750	0.83

The weighted average exercise price of options exercisable as at June 30, 2025 was \$3.04 (December 31, 2024 - \$2.87).

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(e) Restricted Share Units ("RSUs")

The changes in RSUs during the six months ended June 30, 2025 and the year ended December 31, 2024 were as follows:

	June 30, 2025	December 31, 2024
	Number of RSUs	Number of RSUs
Balance outstanding, beginning of year	3,370,902	5,065,068
Units granted	368,381	1,595,437
Units vested and shares issued	(1,239,829)	(2,737,544)
Units forfeited	(42,311)	(552,059)
Balance outstanding, end of period	2,457,143	3,370,902

During the six months ended June 30, 2025 and 2024, the Company recognized share-based payments of \$2,402 and \$6,166, respectively, relating to RSUs in the condensed interim consolidated statements of income (loss).

(f) Performance Share Units ("PSUs")

The changes in PSUs during the six months ended June 30, 2025 and the year ended December 31, 2024 were as follows:

	June 30, 2025	December 31, 2024
	Number of PSUs	Number of PSUs
Balance outstanding, beginning of year	2,460,449	3,401,645
Units granted	503,522	801,828
Units vested and shares issued	(757,340)	(1,389,361)
Units forfeited	(30,097)	(353,663)
Balance outstanding, end of period	2,176,534	2,460,449

During the six months ended June 30, 2025 and 2024, the Company recognized share-based payments of \$1,845 and \$3,684, respectively, relating to PSUs in the condensed interim consolidated statements of income (loss).

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(g) Share-based awards of subsidiary, HEALWELL

See below the information regarding the Company's subsidiary, HEALWELL, as of June 30, 2025:

(i) Stock options

	June 30, 2025	
	Number of options	Weighted average exercise price \$
Balance outstanding, April 1, 2025	2,596,000	4.46
Options granted	100,000	1.42
Balance outstanding, end of period	2,696,000	4.35

(ii) DSUs (Deferred share units), RSUs and PSUs

Net outstanding share-based payments by type June 30, 2025	No. of shares	Vested
PSUs		
Grants in 2023	1,025,000	274,998
Grants in 2024	431,250	93,749
Grants in 2025	4,987,559	7,042
Total PSUs	6,443,809	375,789
RSUs		
Grants in 2023	1,095,000	298,331
Grants in 2024	1,755,114	712,853
Grants in 2025	5,501,073	38,292
Total RSUs	8,351,187	1,049,476
DSUs		
Grants in 2024	43,947	43,947
Total DSUs	43,947	43,947
Total Number of Shares	14,838,943	1,469,212

For the period April 1, 2025 to June 30, 2025, the Company recognized share-based payments of \$3,654, relating to HEALWELL's share-based awards in the condensed interim consolidated statements of income (loss).

WELL HEALTH TECHNOLOGIES CORP.

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated, except share and per share amounts)

17. Related Party Balances and Transactions

(a) Related party balances and transactions with management

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel consists of the Company's Board of Directors and certain members of the senior executive team. Key management personnel are the Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO") and the Chief Operating Officer ("COO"). The remuneration of the Company's key management personnel during the three and six months ended June 30, 2025 and 2024 was as follows:

	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	\$'000	\$'000	\$'000	\$'000
Salaries and bonuses	585	260	845	510
Directors' fees	160	60	260	120
Share-based payments	252	1,247	573	3,226
	997	1,567	1,678	3,856

During the six months ended June 30, 2025, the Company granted nil equity instruments to the CEO, CFO, COO and the Board of Directors. For the six months ended June 30, 2024, the Company granted 481,573 RSUs (197,367 to the CEO, 39,473 to the CFO, 39,473 to the COO and 205,260 to the Board of Directors), and 78,946 PSUs (39,473 to the CFO, and 39,473 to the COO).

Included in other current assets as at June 30, 2025 and December 31, 2024 is \$12,080 (\$7,099 from the CEO, \$2,709 from the CFO, and \$2,272 from the COO) and \$11,804 (\$7,099 from the CEO, \$2,433 from the CFO, and \$2,272 from the COO), respectively, of receivables from related parties. These receivables were related to payroll taxes on stock issuance with respect to equity and option exercises for the related parties. They are interest bearing at interest rates as prescribed by Canada Revenue Agency, payable on demand with no specified repayment terms. The Company has full recourse to assets of the related parties if they were unable or unwilling to pay.

WELL HEALTH TECHNOLOGIES CORP.

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated, except share and per share amounts)

(b) Related party balances and transactions with HEALWELL

Effective April 1, 2025, the Company controls and consolidates HEALWELL, any transactions and balances between WELL and HEALWELL subsequent to April 1, 2025 have been eliminated on consolidation. The following balances outstanding with HEALWELL as of December 31, 2024 were prior to control and consolidation:

	June 30, 2025 \$'000	December 31, 2024 \$'000
Included in accounts and other receivables:		
Accounts receivable	-	167
Convertible promissory note receivable, including accrued interest	-	5,300
Other receivables	-	1,134
Deferred acquisition costs	-	642
Working capital holdback receivable	-	606
	-	7,849
Included in other current liabilities:	-	
Working capital holdback payable	-	150
Other current liabilities	-	154
	-	304

On February 1, 2024, in connection with its sale of Intrahealth to HEALWELL, the Company received a convertible promissory note from HEALWELL for a portion of the purchase price in the principal amount of \$5,000. The promissory note bore interest at a rate of 18% per annum and was repayable over the 10 months following the closing date in either cash or shares. Effective November 1, 2024, the promissory note was amended to change the interest rate to 8% per annum and to extend the maturity date to March 31, 2026. The interest will be payable on maturity of the respective promissory notes. The outstanding amount may be converted into Class A Subordinate Voting Shares of HEALWELL at the option of the Company. As of December 31, 2024, the Company recognized receivables due from HEALWELL of \$5,300 for the convertible promissory note including accrued interest, \$642 for deferred acquisition costs, and \$606 for a holdback in relation to the sale of Intrahealth to HEALWELL.

See Note 11(a) for other transactions between the Company and HEALWELL.

WELL HEALTH TECHNOLOGIES CORP.

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated, except share and per share amounts)

18. Segment Reporting

The Company is organized into operating segments based on its product and service offerings. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker who is the CEO. The Company has eight reportable segments as shown below that are grouped into four key business units: Canadian Patient Services, WELL Health USA Patient and Provider Services, SaaS and Technology Services and HEALWELL.

Reportable Segment	Operations
Canadian Patient Services - Primary	Primary care and allied health clinic operations in Canada
Canadian Patient Services - Specialized Myhealth (also known as WELL Health Diagnostic Centres or WDC)	Specialty care and accredited diagnostic health services from WDC
WELL Health USA Patient and Provider Services	
- Primary Circle Medical	U.S. primary care telehealth operations from Circle Medical
- Primary WISP	U.S. primary care operations from WISP
- Specialized CRH Medical	Specialized care gastroenterology anesthesia services
- Specialized Provider Staffing	Medical recruitment and staffing services
SaaS and Technology Services	Aggregation of electronic medical records ("EMR"), billing and revenue cycle management solutions, digital applications, and cybersecurity operating segments
HEALWELL	AI and Data Sciences, Healthcare Software, Clinical Research and Patient Services offerings.

WELL HEALTH TECHNOLOGIES CORP.

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(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated, except share and per share amounts)

Three months ended June 30, 2025

	<- Canadian Patient Services ->			<- WELL Health USA Patient and Provider Services ->							Corporate /		
	Primary	Specialized - WDC	Total	Primary - Circle Medical	Primary - WISP	Specialized - CRH Medical	Specialized - Provider Staffing	Total	SAAS and Technology Services	HEALWELL	Total - All segments	Elimination	Grand total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total segment revenue	66,845	48,068	114,913	33,999	27,982	70,602	52,748	185,331	19,433	40,937	360,614	3,516	364,130
Inter-segment revenue	(285)	(156)	(441)	-	-	-	(560)	(560)	(2,524)	(416)	(3,941)	(3,516)	(7,457)
Revenue from external customers	66,560	47,912	114,472	33,999	27,982	70,602	52,188	184,771	16,909	40,521	356,673	-	356,673
Cost of sales	(45,453)	(18,693)	(64,146)	(12,831)	(7,735)	(42,493)	(46,382)	(109,441)	(2,643)	(18,826)	(195,056)	(2,878)	(197,934)
Salaries and benefits	(9,547)	(10,786)	(20,333)	(5,905)	(2,948)	(5,208)	(423)	(14,484)	(7,115)	(12,556)	(54,488)	(3,679)	(58,167)
Marketing and promotion	(318)	(129)	(447)	(3,366)	(14,941)	(223)	(46)	(18,576)	(152)	(3,348)	(22,523)	(340)	(22,863)
Other G&A	(7,748)	(3,551)	(11,299)	(3,591)	(1,492)	(2,568)	(1,491)	(9,142)	(2,263)	(3,620)	(26,324)	(1,650)	(27,974)
Operating expenses	(63,066)	(33,159)	(96,225)	(25,693)	(27,116)	(50,492)	(48,342)	(151,643)	(12,173)	(38,350)	(298,391)	(8,547)	(306,938)
Adjusted EBITDA	3,494	14,753	18,247	8,306	866	20,110	3,846	33,128	4,736	2,171	58,282		

Three months ended June 30, 2024 ("Restated", refer to note 2 (c))

	<- Canadian Patient Services ->			<- WELL Health USA Patient and Provider Services ->							Corporate /		
	Primary	Specialized - WDC	Total	Primary - Circle Medical	Primary - WISP	CRH Medical	Specialized - Provider Staffing	SAAS and Technology Services	HEALWELL	Total - All segments	Elimination	Grand total	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Total segment revenue	45,577	31,243	76,820	16,173	24,276	64,277	29,776	134,502	18,130	-	229,452	4,323	233,775
Inter-segment revenue	(83)	-	(83)	-	-	(54)	(739)	(793)	(1,264)	-	(2,140)	(4,323)	(6,463)
Revenue from external customers	45,494	31,243	76,737	16,173	24,276	64,223	29,037	133,709	16,866	-	227,312	-	227,312
Cost of sales	(31,851)	(11,726)	(43,577)	(14,586)	(6,270)	(38,960)	(26,201)	(86,017)	(6,677)	-	(136,271)	505	(135,766)
Salaries and benefits	(6,374)	(9,078)	(15,452)	(3,869)	(2,749)	(5,340)	(125)	(12,083)	(6,056)	-	(33,591)	(2,668)	(36,259)
Marketing and promotion	(232)	(120)	(352)	(6,686)	(13,241)	(199)	(26)	(20,152)	(151)	-	(20,655)	(282)	(20,937)
Other G&A	(5,032)	(3,316)	(8,347)	(4,147)	(1,203)	(2,150)	(626)	(8,126)	40	-	(16,433)	(2,869)	(19,302)
Operating expenses	(43,489)	(24,240)	(67,728)	(29,288)	(23,463)	(46,649)	(26,978)	(126,378)	(12,844)	-	(206,950)	(5,316)	(212,266)
Adjusted EBITDA	2,005	7,003	9,008	(13,115)	814	17,574	2,059	7,332	4,024	-	20,361		

WELL HEALTH TECHNOLOGIES CORP.

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(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated, except share and per share amounts)

Six months ended June 30, 2025

	<- Canadian Patient Services ->			<- WELL Health USA Patient and Provider Services ->							Corporate /		Grand total
	Primary	Specialized - WDC	Total	Primary - Circle Medical	Primary - WISP	Specialized - CRH Medical	Specialized - Provider Staffing	Total	SAAS and Technology Services	HEALWELL	Total - All segments	Elimination	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total segment revenue	128,222	86,602	214,824	63,691	57,527	132,874	105,078	359,170	42,358	40,937	657,289	6,923	664,212
Inter-segment revenue	(475)	(218)	(693)	-	-	-	(842)	(842)	(4,528)	(416)	(6,479)	(6,923)	(13,402)
Revenue from external customers	127,747	86,384	214,131	63,691	57,527	132,874	104,236	358,328	37,830	40,521	650,810	-	650,810
Cost of sales	(87,804)	(33,953)	(121,757)	(29,052)	(16,248)	(83,216)	(92,814)	(221,330)	(8,870)	(18,826)	(370,783)	(3,816)	(374,599)
Salaries and benefits	(18,058)	(20,630)	(38,688)	(12,057)	(5,974)	(10,291)	(641)	(28,963)	(14,029)	(12,556)	(94,236)	(6,993)	(101,229)
Marketing and promotion	(585)	(272)	(857)	(9,572)	(31,236)	(481)	(98)	(41,387)	(319)	(3,348)	(45,911)	(499)	(46,410)
Other G&A	(14,009)	(7,314)	(21,323)	(7,305)	(2,744)	(5,858)	(2,189)	(18,096)	(4,465)	(3,620)	(47,504)	(3,756)	(51,260)
Operating expenses	(120,456)	(62,169)	(182,625)	(57,986)	(56,202)	(99,846)	(95,742)	(309,776)	(27,683)	(38,350)	(558,434)	(15,064)	(573,498)
Adjusted EBITDA	7,291	24,215	31,506	5,705	1,325	33,028	8,494	48,552	10,147	2,171	92,376		

Six months ended June 30, 2024 ("Restated", refer to note 2 (c))

	<- Canadian Patient Services ->			<- WELL Health USA Patient and Provider Services ->							Corporate /		Grand total
	Primary	Specialized - WDC	Total	Primary - Circle Medical	Primary - WISP	Specialized - CRH Medical	Specialized - Provider Staffing	Total	SAAS and Technology Services	HEALWELL	Total - All segments	Elimination	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total segment revenue	90,948	61,660	152,608	36,801	45,399	126,051	59,276	267,527	34,339	-	454,474	8,012	462,486
Inter-segment revenue	(183)	-	(183)	-	-	(88)	(1,365)	(1,453)	(2,043)	-	(3,679)	(8,012)	(11,691)
Revenue from external customers	90,765	61,660	152,425	36,801	45,399	125,963	57,911	266,074	32,296	-	450,795	-	450,795
Cost of sales	(61,784)	(22,733)	(84,517)	(27,535)	(12,205)	(77,957)	(52,071)	(169,768)	(10,823)	-	(265,108)	-	(265,108)
Salaries and benefits	(12,790)	(17,879)	(30,669)	(9,476)	(5,334)	(9,636)	(426)	(24,872)	(12,408)	-	(67,949)	(5,147)	(73,096)
Marketing and promotion	(458)	(260)	(718)	(12,929)	(23,789)	(567)	(46)	(37,331)	(304)	-	(38,353)	(588)	(38,941)
Other G&A	(9,757)	(6,454)	(16,211)	(7,577)	(2,408)	(5,116)	(1,142)	(16,243)	(1,563)	-	(34,017)	(4,352)	(38,369)
Operating expenses	(84,789)	(47,326)	(132,115)	(57,517)	(43,736)	(93,276)	(53,685)	(248,214)	(25,098)	-	(405,427)	(10,087)	(415,514)
Adjusted EBITDA	5,974	14,335	20,309	(20,716)	1,664	32,687	4,226	17,861	7,197	-	45,367		

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A reconciliation of net income before tax to segment adjusted EBITDA is as follows:

	Three months ended		Six months ended	
	June 30,	June 30,	June 30,	June 30,
	2025	2024	2025	2024
Adjusted EBITDA	58,280	20,366	92,376	45,368
Corporate expenses	(8,546)	(5,318)	(15,063)	(10,088)
Depreciation and amortization	(25,395)	(17,307)	(44,941)	(33,867)
Interest expense	(12,909)	(9,689)	(24,315)	(19,230)
Interest income	463	279	982	517
Rent expense on finance leases	5,407	4,129	10,095	8,243
Stock-based compensation	(5,815)	(4,765)	(8,280)	(10,242)
Foreign exchange gain	1,032	72	948	104
Time-based earnout expense	(5,137)	(15)	(5,352)	(2,127)
Change in fair value of investments	12,751	116,327	(22,484)	130,284
Change in fair value of derivative liability	2,130	-	2,130	-
Gain on disposal of assets and investments	-	-	24	11,284
Share of net gain/(loss) of associates	(117)	177	(2,497)	(887)
Transaction, restructuring and integration expenses	(2,797)	(4,321)	(6,667)	(7,800)
Legal settlement and defense recovery (costs)	3,573	0	3,604	(281)
Other items	1	(753)	(754)	(753)
Net income before income tax	22,921	99,182	(20,194)	110,525

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19. Business Combinations, Asset Acquisitions and Disposals

The Company completed multiple business combinations and asset acquisitions during the six months ended June 30, 2025.

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

- (i) cash paid to the vendor, net of working capital adjustments;
- (ii) fair value of common shares of the Company issued to the vendor, determined at the opening share price on the date of the issuance;
- (iii) fair value of common shares of a Company subsidiary issued to the vendor, determined as of the date of the issuance;
- (iv) working capital/indemnification holdback; and
- (v) deferred purchase consideration in the form of time-based earnout payments that is treated as a deferred acquisition cost.

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

a) 2025 Acquisitions:

- (i) During the six months ended June 30, 2025, the Company acquired interests in the following companies:

Company name	Date of Acquisition	Business/asset acquisition	% Ownership	Place of incorporation	Line of business
Harmony Anesthesia, LLC ("Harmony")	January 1, 2025	Business	65%	US	WELL Health USA Patient and Provider Services – Specialized CRH
Bison Family Medical Clinic Inc. ("Bison")	February 1, 2025	Business	100%	Canada	Canadian Patient Services – Primary
2622292 Ontario Inc. dba Healthpoint Medicine, Northpoint Family Medicine Inc. ("Healthpoint/Northpoint")	March 1, 2025	Business	100%	Canada	Canadian Patient Services – Primary
K-2 Cardiac Care Inc. ("K-2")	April 1, 2025	Business	100%	Canada	Canadian Patient Services – Specialized WDC
Medowlands Family Practice ("Medowlands")	April 1, 2025	Business	100%	Canada	Canadian Patient Services – Primary
HEALWELL AI Inc. ("HEALWELL")	April 1, 2025	Business	37%	Canada	HEALWELL
Myrtle Beach Anesthesia Associates, LLC ("MBAA")	May 1, 2025	Asset	51%	US	WELL Health USA Patient and Provider Services – Specialized CRH

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Northern Georgia Anesthesia Associates, LLC ("NGAA")	May 19, 2025	Asset	51%	US	WELL Health USA Patient and Provider Services – Specialized CRH
1692040 Ontario Inc. dba Patient Networks ("Patient Networks")	June 1, 2025	Business	100%	Canada	Canadian Patient Services – Primary

The following table summarizes the fair value of the purchase consideration and the estimated fair values of assets and liabilities acquired at the acquisition dates for business combinations and asset acquisitions that occurred during the six months ended June 30, 2025. Purchase price allocations have been classified as "Final" or "Provisional"/"Prov" based on the status of the work performed by the Company to determine net working capital or other adjustments and the fair value of the assets acquired and liabilities assumed at the acquisition date. The Company may adjust preliminary purchase price allocations, as necessary, up to one year after the acquisition closing date as new information is obtained about facts and circumstances that existed as of the closing date.

	Harmony	Bison	Healtpoint/ Northpoint	MBAA	NGAA	Other*	Total
	Final \$'000	Prov. \$'000	Prov. \$'000	Final \$'000	Final \$'000	Prov. \$'000	\$'000
Cash	31,702	1,871	5,798	1,048	5,713	3,280	49,413
Working capital/Indemnity holdback	-	239	692	-	-	394	1,325
Deferred acquisition cost (Note 14(a))	1,423	1,101	1,816	-	-	2,044	6,384
Acquisition-related transaction cost	-	-	-	62	97	-	159
Purchase consideration	33,125	3,211	8,306	1,110	5,810	5,718	57,281
Assets and liabilities acquired							
Cash	1,015	47	1	-	-	236	1,299
Accounts receivable and other current assets	8,804	89	302	-	-	378	9,573
Other current assets	-	96	16	-	-	2	114
Property and equipment	-	187	181	-	-	21	389
Right of use asset	-	1,012	689	-	-	-	1,701
Accounts payable	(605)	(117)	(17)	-	-	(232)	(971)
Other current liabilities	-	-	-	-	-	(32)	(32)
Lease liabilities	-	(1,012)	(689)	-	-	-	(1,701)
Deferred revenue	(551)	-	-	-	-	-	(551)
Non-controlling interest	(17,837)	-	-	(1,066)	(5,583)	-	(24,486)
Exclusive professional services agreement ("PSA")	16,005	-	-	2,176	11,393	-	29,574
Brand (Note 12)	8,795	-	-	-	-	-	8,795
Goodwill (Note 12)	17,499	2,909	7,823	-	-	5,375	33,606
	33,125	3,211	8,306	1,110	5,810	5,748	57,310
PSA amortization term	15 years			15 years	15 years		

* Patient Networks, K2, Meadowlands

As at June 30, 2025, goodwill of \$16,077 acquired in business combinations within the Canadian Patient Services – Primary segment is primarily attributable to acquired workforces, expansion of market share, and expected synergies to be realized within the Company's clinic network. The goodwill acquired is not deductible for tax purposes.

WELL HEALTH TECHNOLOGIES CORP.

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As at June 30, 2025, goodwill of \$17,499 acquired in business combinations within the WELL Health USA Patient and Provider Services – Specialized Provider Staffing segment primarily attributable to acquired workforces, expansion of market share, and expected synergies to be realized within the Company's provider services network. Of the total goodwill acquired, \$16,198 is deductible for tax purposes.

Revenue and net income for acquired businesses included in the Company's condensed interim consolidated financial statements for the six months ended June 30, 2025, from the date of acquisition of each business are as follows:

	Harmony	Bison	Healthpoint/ Northpoint	MBAA	NGAA	Other
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	36,311	2,564	5,144	400	815	1,625
Net income	3,509	77	403	80	246	229

The Company has not disclosed pro forma revenue and net income for the six months ended June 30, 2025, as if the acquisitions had occurred on January 1, 2025, because it is impracticable to do so. The financial records of certain acquired companies were not maintained in a manner that allows for the preparation of IFRS-compliant financial information for the full year without undue effort or cost.

(ii) Acquisition of Control and Consolidation of HEALWELL

On April 1, 2025, the Company completed the step acquisition of HEALWELL (Note 11(a)). HEALWELL is a healthcare artificial intelligence company focused on preventative care with a mission to improve healthcare and save lives through early identification and detection of disease. The Company began consolidating 100% of the assets, liabilities and results of operations of HEALWELL as a subsidiary of the Company from the date of acquisition of April 1, 2025. The Company acquired a controlling interest in HEALWELL on April 1, 2025. The acquisition is subject to ongoing review and clearance from the Canadian Competition Bureau. The acquisition date, as defined under IFRS 3, was determined as April 1, 2025 and the date that control was transferred.

As part of the step acquisition of control, the Company remeasured its previous held equity interest in HEALWELL, the call option for the Class A Subordinate Voting Shares and the call option for the Class B Multiple Voting Shares to fair value immediately prior to the acquisition of control on April 1, 2025. Total purchase consideration of \$142,918 consists of the fair value of WELL's equity method investment in HEALWELL of \$97,642, fair value of the call option of the Class A Subordinate Voting Shares and Class B Multiple Voting Shares of \$41,423 and cash paid for the exercise of the call options of \$3,853.

Goodwill of \$130,810 is attributable to the workforce, expected synergies and future profitability of the acquired businesses. The goodwill is not deductible for tax purposes. The Company elected to recognize the non-controlling interest at its proportionate share of the acquired net identifiable assets.

The following table summarizes the fair value of consideration paid on the acquisition date and assets and liabilities recognized as a result of the acquisition. In determining the preliminary purchase price allocation, the Company considered, among other factors, the intended future use of acquired assets, analysis of historical financial performance and estimates of future performance of HEALWELL's business. The Company has not yet finalized the purchase price allocation. The allocation of the purchase price will be finalized within twelve months following the acquisition date.

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	<u>\$ '000</u>
Purchase consideration	142,918
Assets and liabilities acquired	
Cash	32,829
Accounts receivable and other current assets	27,509
Contract assets	16,765
Other current assets	8,591
Lease receivable	907
Property and equipment	1,346
Right of use asset	7,744
Accounts payable	(30,245)
Other current liabilities	(22,840)
Contract liabilities	(23,100)
Deferred acquisition costs	(28,176)
Lease liabilities	(11,062)
Notes payable and other borrowings - current	(1,000)
Notes payable and other borrowings - non-current	(45,356)
Convertible Debentures - current	(23,272)
Convertible Debentures - non-current	(5,270)
Deferred tax liability	(19,056)
Non-controlling interest	(73,108)
Customer relationships (Note 12)	116,216
Brand (Note 12)	24,327
Technology (Note 12)	58,359
Goodwill (Note 12)	130,810
	<u>142,918</u>

Revenue of \$40,521 and net loss of \$4,495 for HEALWELL is included in the Company's condensed interim consolidated financial statements for the six months ended June 30, 2025, from the date of acquisition.

The Company has not disclosed pro forma revenue and net income for the six months ended June 30, 2025, as if the acquisitions had occurred on January 1, 2025, because it is impracticable to do so. Disclosure is impractical for this quarter given the short time that has elapsed since acquisition and that the PPA is only provisional.

WELL HEALTH TECHNOLOGIES CORP.

Notes to Condensed Interim Consolidated Financial Statements

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b) 2024 Acquisitions and Disposals

(i) 2024 Acquisitions

During the six months ended June 30, 2025, the Company finalized the purchase accounting for the 2024 acquisitions of BlueBird IT Solutions Inc. ("BBS"), Microquest Inc. ("MQS"), Jack Nathan Medical Clinics ("JNM") and other 2024 acquisitions with adjustments as shown in the table below:

	NDA Final \$'000	BBS Prov. \$'000	BBS Adj. \$'000	BBS Final \$'000	MQS Prov. \$'000	MQS Adj. \$'000	MQS Final \$'000	JNM Final \$'000	Other* Prov. \$'000	Other* Adj. \$'000	Other* Final \$'000	Total \$'000
Cash	10,170	3,293	-	3,293	13,250	-	13,250	5,000	7,097	-	7,097	38,810
Fair value of subsidiary's shares issued at closing	-	3,896	-	3,896	-	-	-	-	-	-	-	3,896
Working capital holdback	-	964	(162)	802	846	20	866	-	524	(380)	144	1,812
Deferred acquisition cost (Note 14(a))	-	244	-	244	1,971	-	1,971	-	2,315	-	2,315	4,530
Acquisition-related transaction cost	124	-	-	-	-	-	-	-	-	-	-	124
Purchase consideration	10,294	8,397	(162)	8,235	16,067	20	16,087	5,000	9,936	(380)	9,556	49,172
Assets and liabilities acquired												
Cash	-	66	-	66	297	-	297	-	1,374	-	1,374	1,737
Accounts receivable and other current assets	-	1,223	(65)	1,158	715	(1)	714	-	1,301	26	1,327	3,199
Other current assets	-	85	(5)	80	63	(9)	54	-	58	(37)	21	155
Property and equipment	-	-	-	-	-	-	-	571	208	-	208	779
Right of use asset	-	-	-	-	-	-	-	-	2,623	-	2,623	2,623
Accounts payable	-	(563)	(14)	(577)	(147)	-	(147)	-	(1,719)	(16)	(1,735)	(2,459)
Other current liabilities	-	-	(78)	(78)	(102)	30	(72)	(54)	(234)	(253)	(487)	(691)
Lease liabilities	-	-	-	-	-	-	-	-	(2,623)	-	(2,623)	(2,623)
Deferred tax liability	-	(921)	-	(921)	(2,341)	-	(2,341)	-	-	-	-	(3,262)
Non-controlling interest	(9,891)	(397)	-	(397)	-	-	-	-	(431)	138	(293)	(10,581)
Exclusive professional services agreement ("PSA") (Note 12)	20,185	-	-	-	-	-	-	-	-	-	-	20,185
Technology (Note 12)	-	-	-	-	2,993	-	2,993	-	-	-	-	2,993
Customer relationship (Note 12)	-	3,409	-	3,409	5,614	-	5,614	-	-	-	-	9,023
Goodwill (Note 12)	-	5,495	-	5,495	8,975	-	8,975	4,483	9,379	(238)	9,141	28,094
	10,294	8,397	(162)	8,235	16,067	20	16,087	5,000	9,936	(380)	9,556	49,172

PSA amortization term

15 years

* PFY, Pacific Medical, The Health Clinic by Shoppers, C-Health, 19th & Lonsdale Medical Corporations, Wilson Centre Family Practice, S.J. Stemplowski Psychotherapy Professional Corporation, HMC, and Medical Associates of Meadowvale.

(ii) 2024 Disposals

On February 1, 2024, the Company completed the sale of Intrahealth, an EMR provider within the Company's SaaS and Technology Services reportable segment, to HEALWELL for total consideration of \$24,361 consisting of cash of \$3,152, shares in HEALWELL with fair value of \$14,961, a holdback receivable of \$606 and other deferred payments of \$5,642. The gain on disposal before tax was \$11,750.

WELL HEALTH TECHNOLOGIES CORP.

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(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated, except share and per share amounts)

20. Contingencies

In the ordinary course of business, the Company is involved in and potentially subject to, legal actions and proceedings. There are many uncertainties involved in these legal actions and proceedings and as such, it is not possible for the Company to predict the final outcome of these matters with certainty. The Company does not believe that the ultimate resolution of these matters, including the matters noted below where not fully resolved, will have a material adverse impact on the Company's operations, financial condition or results of operations.

Since November 2023, the Company's subsidiary WISP, Inc. ("WISP") has had two class actions and one mass arbitration filed against it, each alleging pixel tracking technologies deployed on WISP's website used to improve marketing and advertising initiatives, improperly collected and disclosed personal health information to third-party social media platforms (Meta Platforms Inc. dba Facebook, Google, Bing/Microsoft, and Tik Tok Inc.). WISP has settled the class actions and the mass arbitration matters, with one class action settlement pending final court approval. For the year ended December 31, 2024, the Company recognized an expense of \$6,017 in other expenses for estimated settlement costs and \$290 in general and administrative expenses for legal fees (2023 - \$nil). During the six months ended June 30, 2025, the Company reached an agreement to settle an insurance claim in relation to this matter and recognized an insurance recovery of \$2,085 as other income in the consolidated statement of loss for the six months ended June 30, 2025, and as other receivables on the consolidated statement of financial position as of June 30, 2025.

In September 2024, the Company's 70%-owned Delaware subsidiary, Circle Medical Technologies, Inc. ("Circle Medical"), received a Request for Information ("RFI") from the Civil Division of the United States Attorney's Office for the Northern District of California ("USAO") relating to claims for reimbursement submitted to both federal health care programs and private insurers. Circle Medical voluntarily responded to the RFI and discussions with the USAO regarding this matter are ongoing. The Company cannot predict the outcome of the RFI, nor the length of time it may take to resolve the RFI, or other related actions that might ensue. For the year ended December 31, 2024, the Company recognized an expense of \$4,072 in other expenses for estimated settlement costs and \$511 in general and administrative expenses for legal fees. For the six months ended June 30, 2025, the Company incurred \$682 in general and administrative expenses for legal fees and did not recognize any additional settlement expense in relation to this matter.

In 2024, the Company's subsidiary CRH received notice of a product liability claim related to its O'Regan hemorrhoid banding device. Settlement of the claim occurred in April 2025. For the year ended December 31, 2024, the Company recognized an expense of \$7,914 in other expenses for settlement costs and \$100 in general and administrative expenses for legal fees. For the six months ended June 30, 2025, the Company did not recognize any expense in relation to this matter. In April 2025, the Company reached an agreement to settle an insurance claim in relation to this matter in the amount of \$4,474.

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Notes to Condensed Interim Consolidated Financial Statements

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21. Financial Instruments

a. Classification of financial instruments

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

	June 30, 2025	December 31, 2024
	\$'000	\$'000
Financial assets at amortized cost		
Cash and cash equivalents	98,894	131,669
Accounts and other receivables	190,190	184,505
Other current and non-current assets	52,634	32,193
	341,718	348,367
Financial assets at fair value through profit or loss ("FVPL")		
Equity and debt investments	13,014	158,476
Financial liabilities at amortized cost		
Accounts payable and accrued liabilities	108,378	86,583
Loans and borrowings	397,077	290,265
Convertible debentures	84,855	55,094
Redeemable preferred shares	51,758	48,054
Lease liability	87,831	79,730
Advances payable	72,277	165,441
Other current and non-current liabilities	45,111	30,274
	847,287	755,441
Financial liabilities at fair value through profit or loss ("FVPL")		
Deferred acquisition costs	58,429	30,939

b. Fair value measurements

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

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

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

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

Financial instruments are classified based on the lowest level of input that is significant to the fair value measurement of the asset or liability. There were no transfers of fair value measurements between level 1, 2 and level 3 of the fair value hierarchy for the six months ended June 30, 2025 and for year ended December 31, 2024.

WELL HEALTH TECHNOLOGIES CORP.

Notes to Condensed Interim Consolidated Financial Statements

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Financial instruments carried at amortized cost:

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

The Company's loans and borrowings, which are mainly comprised of the JPM facility, the RBC facility, and the BNS facility (Note 15(a)), are floating rate instruments which are based on SOFR plus 1.75% to 3.00% dependent on CRH's total leverage ratio, CORRA plus 1.50% to 3.25% dependent on WHCC and MyHealth's total funded debt to EBITDA ratio, and CORRA plus 1.65% to 3.15% dependent on Orion Health's net debt to EBITDA ratio, respectively. The Company estimated the fair value of these financial instruments to be \$228,959 for the JPM facility, \$120,125 for the RBC facility, and \$44,250 for the BNS facility as at June 30, 2025 based on a discounted cash flow analysis using Level 2 directly observable market inputs (December 31, 2024 - \$195,918 for the JPM facility, and \$92,575 for the RBC facility).

The fair value of the Company's convertible debentures issued in 2021, including the equity component, was \$69,580 as of June 30, 2025 (December 31, 2024 - \$71,750), based on the Level 1 quoted market price of the convertible debentures on that date.

The fair value of the Company's redeemable preferred shares issued by its subsidiary, WELLSTAR (Note 15(c)), was estimated to be \$50,378 as of June 30, 2025 and December 31, 2024, equal to the gross proceeds received upon issuance on December 11, 2024 given the short period of time that has elapsed since the redeemable preferred shares were issued.

WELL HEALTH TECHNOLOGIES CORP.

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated, except share and per share amounts)

c. Financial risk management

Liquidity risk

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

	<i>Undiscounted payments due by period</i>				
	Total	Less than 1 year	1-3 years	4-5 years	More than 5 years
At June 30, 2025	\$'000	\$'000	\$'000	\$'000	\$'000
Deferred acquisition costs and time-based earnouts	81,430	20,858	35,495	8,657	16,420
Lease obligations' minimum payments	103,849	25,562	39,297	22,956	16,034
Accounts payable and accrued liabilities	108,378	108,378	-	-	-
Working capital holdbacks	2,653	2,653	-	-	-
Advances payable	72,277	72,277	-	-	-
Other current and non-current liabilities	42,458	42,129	329	-	-
Loans and borrowings	397,490	7,252	390,238	-	-
Convertible debentures	110,250	3,850	76,400	30,000	-
	918,785	282,959	541,759	61,613	32,454

On March 28, 2024, the Company entered into an agreement with a cloud hosting services provider to secure infrastructure services for its operations. Pursuant to this agreement, the Company and its affiliates have committed to spending a total of \$25,000 over a period of five years. As of June 30, 2025, the Company had a remaining commitment of \$20,674 under this agreement.

On July 31, 2025, the Company entered into an agreement with a cloud hosting services provider to secure infrastructure services for its operations. Pursuant to this agreement, the Company and its affiliates has committed to spending a total of \$50,434 over a period of five years.

Interest rate risk

The Company is exposed to fluctuations in interest rates through variable rate debt obligations under its syndicated credit facilities with JPM, RBC and BNS (Note 15(a)). The Company from time-to-time uses interest rate swap contracts to hedge the variability of the cash flows attributable to changes in the relevant benchmark variable interest rates.

With all other variables held constant, a 10% upward movement in the interest rate would have increased net loss by approximately \$1,499 for the six months ended June 30, 2025. There would be an equal and opposite impact on net loss with a 10% downward movement in the interest rate.

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Notes to Condensed Interim Consolidated Financial Statements

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Foreign currency risk

The Company is exposed to foreign exchange risk on revenue contracts, purchase contracts and loans and borrowings denominated in currencies other than the currency of the Company's contracting entity. For Canadian operations, this is typically the U.S. dollar and for U.S. entities, this is typically the Canadian dollar. The Company is also exposed to foreign currency risk on translation of the net assets of its foreign operations to Canadian dollars.

The Company from time-to-time uses foreign currency forward contracts to manage its exposure to transactions in foreign currencies. These transactions include forecasted transactions and firm commitments denominated in foreign currencies.

The Company had no foreign currency forward contracts outstanding as at June 30, 2025 and December 31, 2024.

The Company operates internationally and is exposed to currency risk on transactions that are denominated in a currency other than the functional currency of the relevant group entity and is primarily exposed to risk in the following currencies: US Dollar (USD), New Zealand Dollar (NZD), Australian Dollar (AUD), Pound Sterling (GBP), EURO (EUR), and United Arab Emirates (AED).

WELL HEALTH TECHNOLOGIES CORP.

Notes to Condensed Interim Consolidated Financial Statements

(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated, except share and per share amounts)

22. Cash Flow Information

	Six months ended	
	June 30, 2025	June 30, 2024
		Restated
	\$'000	\$'000
Change in non-cash operating items:		
Accounts and other receivables	31,357	(80,280)
Contract assets	(5,827)	-
Inventory	(163)	(663)
Prepayments and other current assets	(14,009)	(7,725)
Other non-current assets	2,089	1,623
Accounts payable and accrued liabilities	(10,831)	13,113
Deferred revenue	(1,367)	26,126
Contract liabilities	(3,475)	-
Other non-current liabilities	(14,676)	(1,551)
Other current liabilities	6,288	3,954
	(10,614)	(45,403)

	Six months ended	
	June 30, 2025	June 30, 2024
	\$'000	\$'000
Equity and debt investments in associates and others:		
Equity investment in Longevity AI	(1,432)	-
Equity investment in HEALWELL	(5,375)	-
	(6,807)	-

WELL HEALTH TECHNOLOGIES CORP.

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(Unaudited, expressed in thousands of Canadian dollars unless otherwise stated, except share and per share amounts)

	Six months ended	
	June 30, 2025	June 30, 2024
	\$'000	\$'000
Business acquisitions, net of cash acquired (Note 19):		
Harmony	(30,687)	-
Bison	(1,824)	-
Healthpoint/Northpoint	(5,797)	-
Meadowlands	(695)	-
Patient Networks	(2,042)	-
K2	(307)	-
HEALWELL	28,976	-
Shoppers	-	(100)
	(12,376)	(100)
Asset acquisitions (Note 19):		
MBAA	(928)	-
NGAA	(5,509)	-
	(6,437)	-

For the six months ended June 30, 2025, \$146,535 of the purchase consideration of business and assets acquisitions included the following non-cash consideration, fair values of shares previously acquired (\$139,064), and deferred acquisition costs and working capital holdback (\$7,471) to be paid over time. For the six months ended June 30, 2024, the Company completed the sale of a subsidiary for a total consideration of \$24,361 to HEALWELL, \$14,961 was received via HEALWELL shares, \$606 via a holdback receivable, and \$5,642 in other deferred payments.

For the six months ended Jun 30, 2025, \$11,285 of the deferred acquisition costs were financed by the issuance of WELL's shares (2024 - \$6,899); and the additions of right-of-use assets in the amount of \$5,110 (2024 - \$5,943) were financed by lease liabilities.

23. Events After the Reporting Period

On July 16, 2025 HEALWELL acquired the remaining 49% of Pentavere Research Group Inc. ("Pentavere"), by exercising a call option that it had previously negotiated at the time of its original acquisition of a majority interest in Pentavere in 2023. Pursuant to the call option, HEALWELL acquired all of the remaining issued and outstanding shares of Pentavere for an aggregate purchase price of \$13,978 which was satisfied with the issuance of 10,161,562 HEALWELL Class A Subordinate Voting Shares. With 100% ownership of Pentavere, the HEALWELL intends to deepen integration between its AI businesses and accelerate commercialization of AI products across healthcare offerings.