WELL HEALTH TECHNOLOGIES CORP.

AUDITED ANNUAL CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2025

Expressed in thousands of Canadian dollars

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Deloitte.

Deloitte LLP
410 W. Gerogia Street
Vancouver BC V6B 0S7
Canada

Tel: 604-669-4466
Fax: 604-685-0395
www.deloitte.ca

Independent Auditor's Report

To the Shareholders and the Board of Directors of
Well Health Technologies Corp.

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Assessment of Impairment of Goodwill and Indefinite-life Intangible Assets– Refer to Notes 3 and 15 to the financial statements

Key Audit Matter Description

The Company assesses goodwill and indefinite-life intangibles for impairment annually as well as whenever events or changes in circumstances indicate that the carrying value may be impaired. An impairment loss is recognized to the extent that the carrying amount of a Cash Generating Unit (“CGU”) exceeds its estimated recoverable amount. The recoverable amounts of the CGUs were determined using a value in use model, determined by using a discounted cash flows approach. This required management to make significant estimates and assumptions related to future cash flows, terminal growth rates, EBITDA margins and discount rates. Changes in these assumptions could have a significant impact on the recoverable amount.

While there are several estimates and assumptions that are required to determine the recoverable amounts of certain CGUs, the estimates, and assumptions with the highest degree of subjectivity are future revenue growth rates, EBITDA margins, and the selection of the discount rates (“key assumptions”). Auditing these estimates and assumptions required a high degree of auditor judgment and an increased extent of audit effort, including the involvement of fair value specialists.

How the Key Audit Matter Was Addressed in the Audit

Our audit procedures related to the key assumptions used to determine the recoverable amounts for certain CGUs included the following, among others:

- Evaluated management’s historical forecasting accuracy by comparing prior-period forecasts to actual results.
- With the assistance of fair value specialists, assessed the reasonableness of future forecasted revenue growth rates and EBITDA margins by comparing management’s forecasts to:
    - Historical revenues and margins;
    - Historical revenue growth rates achieved by selected comparable companies; and
    - Forecasted revenue growth rates and margins of comparable companies.
- With the assistance of fair value specialists, evaluated the reasonableness of the discount rates by testing the underlying source data, independently developing a range of acceptable discount rates, and comparing those ranges to the discount rates applied by management.

Step Acquisition – HEALWELL – Refer to Notes 3 and 24 to the financial statements

Key Audit Matter Description

The Company acquired control of HEALWELL by completing a step acquisition and began consolidating 100% of its assets, liabilities and results of operations as a subsidiary of the Company from the date of acquisition. As part of this step acquisition the Company remeasured it's previously held equity held interest in HEALWELL and determined the fair value of consideration paid by considering the intended future use of acquired assets, analysis of historical financial performance and estimates of future performance of HEALWELL business. As part of the purchase price allocation, the Company allocated fair value to the assets acquired and the liabilities assumed, including intangible assets for customer relationships and technology ("identified intangible assets"). Management used the excess earnings method using a discounted cash flow approach to estimate the fair value of customer relationships, which required management to make significant estimates and assumptions related to revenue growth rates, EBITDA margins and discount rates. The fair value of technology was determined using the relief from royalty method, which required management to make significant estimates and assumptions related to revenue growth rates, royalty rates and discount rates.

While there are several estimates and assumptions that are required to determine the fair value of the identified intangible assets, the estimates and assumptions with the highest degree of subjectivity are revenue growth rates and discount rates ("key assumptions"). Auditing these required a high degree of auditor judgment and an increased extent of audit effort, including the involvement of fair value specialists.

How the Key Audit Matter Was Addressed in the Audit

Our audit procedures related to the key assumptions used to determine the fair value of the identified intangible assets included the following, among others:

- With the assistance of fair value specialists, evaluated the reasonableness of revenue growth rates by considering:
    - Historical results of the acquired business;
    - Historical revenue growth rates achieved by selected comparable companies; and
    - Forecasted revenue growth rates of selected comparable companies.
- With the assistance of fair value specialists, evaluated the reasonableness of the discount rates by testing the source data underlying their determination, independently developing a range of acceptable discount rates, and comparing those ranges to the discount rates applied by management.

Other Matter

The consolidated financial statements of the Company for the year ended December 31, 2024 were audited by another auditor who expressed an unmodified opinion on those financial statements on April 14, 2025.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Robert Rourke.

/s/ Deloitte LLP

Chartered Professional Accountants
Vancouver, British Columbia
March 18, 2026

WELL HEALTH TECHNOLOGIES CORP.

Consolidated Statements of Income and Comprehensive (Loss) Income

(in thousands of Canadian dollars, except share and per share amounts)	Note	Years ended **December 31, 2025**	 December 31, 2024
Revenue	5	**1,400,179**	919,688
Expenses			
Cost of sales (excluding depreciation and amortization)		**(781,335)**	(556,677)
General and administrative	6	**(409,686)**	(306,200)
Depreciation and amortization	14 15	**(93,762)**	(72,306)
Share-based payments	21	**(22,691)**	(15,270)
Impairment charge	12 15	**(11,606)**	—
Foreign exchange (loss) gain		**(2,614)**	570
Operating income (loss)		**78,485**	(30,195)
Interest income	7	**1,715**	1,272
Interest expense	7	**(57,878)**	(37,616)
Time-based earnout expense	8	**(7,799)**	(7,458)
Change in fair value of investments	12	**(21,709)**	101,484
Change in fair value of derivative liability	18	**4,376**	—
Gain on disposal of assets and investments		**11,361**	11,817
Share of net loss of associates		**(2,750)**	(4,341)
Other expenses	9	**(493)**	(25,971)
Income before income tax		**5,308**	8,992
Income tax (expense) recovery	20	**(846)**	20,104
Net income		**4,462**	29,096
Net (loss) income attributable to:			
Owners of WELL Health Technologies Corp.		**(7,360)**	32,609
Non-controlling interests		**11,822**	(3,513)
		4,462	29,096
Other comprehensive (loss) income:			
Items that may be subsequently reclassified to profit or loss:			
Exchange difference on translation of foreign operations		**(26,212)**	42,011
Fair value loss (gain) on derivative instruments designated in cash flow hedges		**—**	(315)
Reclassification of fair value loss on derivative instruments to net income		**437**	315
Total comprehensive (loss) income		**(21,313)**	71,107
Total comprehensive (loss) income attributable to:			
Owners of WELL Health Technologies Corp.		**(33,175)**	74,045
Non-controlling interests		**11,862**	(2,938)
		(21,313)	71,107
(Loss) earnings per share attributable to WELL Health Technologies Corp.			
Basic		**(0.03)**	0.13
Diluted		**(0.03)**	0.13
Weighted average number of common shares outstanding			
Basic		**252,800,709**	246,763,835
Diluted		**252,800,709**	254,651,679

WELL HEALTH TECHNOLOGIES CORP.

Consolidated Statements of Financial Position

(in thousands of Canadian dollars)	Note	**December 31, 2025**	December 31, 2024
Assets			
Current			
Cash		**133,755**	131,669
Accounts and other receivables	10	**170,944**	184,505
Contract assets	10	**17,769**	—
Inventory		**2,465**	2,691
Prepayments and other assets	11	**44,672**	27,248
Total current assets		**369,605**	346,113
Financial assets at fair value through profit and loss	12	**16,071**	158,476
Investments accounted for using the equity method		**2,970**	15,310
Prepayments and other assets – non-current	11	**7,736**	4,945
Property and equipment	14	**119,410**	101,762
Intangible assets	15	**760,212**	573,962
Goodwill	15	**787,615**	565,117
Deferred tax assets	20	**33,269**	41,588
Total assets		**2,096,888**	1,807,273
Liabilities and equity			
Current			
Accounts payable and accrued liabilities		**91,597**	86,583
Deferred revenue	16	**26,774**	59,450
Contract liabilities	10	**22,633**	—
Deferred acquisition costs	17	**31,170**	14,585
Other liabilities	17	**42,375**	27,982
Advances payable	17	**30,180**	165,441
Loans and borrowings	18	**6,427**	5,534
Convertible debentures and derivative liability	18	**83,515**	3,850
Lease liability	19	**22,795**	18,651
Total current liabilities		**357,466**	382,076
Deferred acquisition costs – non-current	17	**40,554**	16,354
Other liabilities – non-current	17	**24,910**	2,292
Loans and borrowings – non-current	18	**419,015**	284,731
Convertible debentures and derivative liability – non-current	18	**1,635**	51,244
Redeemable preferred shares	18	**113,430**	48,054
Lease liability – non-current	19	**67,259**	61,079
Deferred tax liabilities	20	**33,221**	31,722
Total liabilities		**1,057,490**	877,552
Equity			
Share capital	21	**808,059**	784,873
Share-based payments reserve	21	**27,468**	21,578
Convertible debenture options reserve		**25,043**	25,043
Accumulated other comprehensive income		**41,273**	67,088
Accumulated deficit		**(38,335)**	(30,975)
Equity attributable to owners of WELL Health Technologies Corp.		**863,508**	867,607
Non-controlling interests		**175,890**	62,114
Total equity		**1,039,398**	929,721
Total equity and liabilities		**2,096,888**	1,807,273
Commitments and contingencies	*25 26 28*		
Events after the reporting period	*18 25 28*		

Approved by the Directors:

"Hamed Shahbazi" *"Thomas Liston"*

WELL HEALTH TECHNOLOGIES CORP.

Consolidated Statements of Changes in Equity

			Attributable to owners of WELL Health Technologies Corp.							
(in thousands of Canadian dollars)	Note	Number of Shares	Share capital	Share-based payments reserve	Convertible debenture options reserve	Accumulated other comprehensive income	Accumulated deficit	Total	Non-controlling interests	Total equity
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	21	140,500	586	(141)	—	—	—	445	—	445
Shares issued for RSUs/PSUs	21	2,970,864	13,141	(13,141)	—	—	—	—	—	—
Shares issued for settlement of deferred acquisition costs	17	2,170,275	11,285	—	—	—	—	11,285	—	11,285
Share-based payments	21	—	—	22,691	—	—	—	22,691	—	22,691
Normal course issuer bid	21	(387,900)	(1,826)	—	—	—	—	(1,826)	—	(1,826)
Non-controlling interests via business combination	24	—	—	—	—	—	—	—	117,617	117,617
Distributions paid to non-controlling interests		—	—	—	—	—	—	—	(25,442)	(25,442)
Changes in non-controlling interests		—	—	(3,519)	—	—	—	(3,519)	9,739	6,220
Foreign currency translation of foreign subsidiaries		—	—	—	—	(26,252)	—	(26,252)	40	(26,212)
Derivative instruments designated in cash flow hedges		—	—	—	—	437	—	437	—	437
Net (loss) income for the period		—	—	—	—	—	(7,360)	(7,360)	11,822	4,462
Balance at December 31, 2025		**253,985,679**	**808,059**	**27,468**	**25,043**	**41,273**	**(38,335)**	**863,508**	**175,890**	**1,039,398**

			Attributable to owners of WELL Health Technologies Corp.							
(in thousands of Canadian dollars)	Note	Number of Shares	Share Capital	Share-based payments reserve	Convertible debenture options reserve	Accumulated other comprehensive income	Accumulated deficit	Total	Non-controlling Interests	Total Equity
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	21	1,615,373	5,136	(1,917)	—	—	—	3,219	—	3,219
Shares issued for RSUs/PSUs	21	4,126,905	20,802	(20,802)	—	—	—	—	—	—
Shares issued for settlement of deferred acquisition costs	17	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	21	—	—	15,270	—	—	—	15,270	—	15,270
Normal course issuer bid	21	(383,600)	(1,658)	—	—	—	—	(1,658)	—	(1,658)
Non-controlling interests via business combination	24	—	—	—	—	—	—	—	10,719	10,719
Distributions paid to non-controlling interests		—	—	—	—	—	—	—	(27,661)	(27,661)
Other transactions with non-controlling interests			—	22	—	—	—	22	3,514	3,536
Foreign currency translation of foreign subsidiaries		—	—	—	—	41,436	—	41,436	575	42,011
Derivative instruments designated in cash flow hedges		—	—	—	—	—	—	—	—	—
Net (loss) income for the period		—	—	—	—	—	32,609	32,609	(3,513)	29,096
Balance at December 31, 2024		249,091,940	784,873	21,578	25,043	67,088	(30,975)	867,607	62,114	929,721

WELL HEALTH TECHNOLOGIES CORP.

Consolidated Statements of Cash Flows

(in thousands of Canadian dollars)	Note	Years ended December 31, 2025	December 31, 2024
Operating activities			
Net income for the period		**4,462**	29,096
Adjustments to net income for non-cash items:			
Interest income accretion		**(229)**	(907)
Interest expense accretion		**32,079**	15,643
Impairment charge	14 15	**11,606**	—
Time-based earnout payments settled via shares		**—**	2,144
Unrealized foreign exchange and others		**(3,172)**	5,304
Loss on revaluation of deferred acquisition cost liability		**6,981**	3,029
Change in fair value of investments		**21,709**	(101,484)
Change in fair value of derivative liability		**(4,376)**	—
Depreciation and amortization	14 15	**93,762**	72,306
Gain on disposal of investments		**(11,361)**	(11,204)
Share of net income of associates		**2,750**	4,341
Share-based payments	21	**22,691**	15,270
(Gain) loss on deferred acquisition cost settled in shares		**(1,931)**	175
Non-cash loss included in other expenses		**—**	752
Deferred income taxes		**(16,381)**	(31,615)
Change in non-cash operating items	27	**(36,702)**	6,672
Net cash provided by operating activities		**121,888**	9,522
Investing activities			
Business acquisitions, net of cash acquired	24 27	**(47,434)**	(26,903)
Asset acquisitions	24 27	**(12,283)**	(10,294)
Net proceeds from disposal of investments	24	**15,103**	2,390
Loss on equity and debt investments in associates and others	27	**(7,437)**	(73)
Acquisition of property and equipment and internally generated intangible assets		**(27,870)**	(16,226)
Working capital/Indemnity holdbacks		**(4,472)**	(1,578)
Settlement of deferred acquisition costs	17	**(6,557)**	(7,542)
Net cash used in investing activities		**(90,950)**	(60,226)
Financing activities			
Net proceeds from redeemable preferred shares	18	**58,319**	47,645
Shares repurchased under NCIB	21	**(1,826)**	(1,658)
Payment of interest on convertible debentures	18	**(6,100)**	(3,850)
Advances received from billing service provider	17	**—**	165,441
Repayments of advances to billing service provider	17	**(129,620)**	—
Proceeds from loans and borrowings		**147,173**	46,694
Repayments of loans and borrowings		**(49,066)**	(78,056)
Proceeds from stock options exercised		**445**	3,219
Transactions with non-controlling interests		**(20,788)**	(27,961)
Lease payments	19	**(25,655)**	(18,781)
Lease payments received	19	**1,171**	807
Net cash (used in) provided by financing activities		**(25,947)**	133,500
Effects of foreign exchange difference on cash		**(2,905)**	4,747
Cash reclassified from held for sale		**—**	703
Net change in cash		**2,086**	88,246
Cash – beginning of period		**131,669**	43,423
Cash – end of period		**133,755**	131,669
Cash paid for:			
Interest		**(30,884)**	(26,495)
Income tax		**(16,624)**	(5,116)

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

1. NATURE OF OPERATIONS

WELL Health Technologies Corp. (the "Company") 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* (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 audited annual consolidated financial statements were approved by the Company's Board of Directors on March 18, 2026.

2. BASIS OF PRESENTATION

These audited annual consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

These audited annual consolidated financial statements have been prepared under the historical cost basis except with respect to certain financial instruments which are measured at fair value (Note 26). All financial information in these audited annual consolidated financial statements, except share and per share amounts, is presented in thousands of Canadian dollars.

The preparation of audited annual consolidated financial statements in accordance with IFRS Accounting Standards requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and 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. Areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the audited annual consolidated financial statements are disclosed in Note 4.

3. MATERIAL ACCOUNTING POLICY INFORMATION

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

a) Basis of consolidation

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

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

b) Business combinations

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

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

The Company recognizes contingent consideration relating to its business combinations at fair value at the date the transaction closes and revalues the component of contingent consideration recognized as a liability at each subsequent reporting date and on settlement through earnings. Contingent consideration that will be settled by delivering a fixed number of common shares is classified as equity and not revalued at each subsequent reporting date.

Asset acquisitions are accounted for at cost. The acquisition cost includes directly related acquisition costs and transaction costs. The cost of the acquisition is allocated to the net assets acquired on a relative fair value basis. Contingent consideration, where the arrangement is not a derivative, is recognized when it is probable and estimable. After the initial acquisition accounting, changes in contingent and deferred consideration are recorded as an adjustment to the related asset.

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

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

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

c) Foreign currency translation

(i) Presentation currency

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

(ii) Transactions in foreign currency

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

Each of the Company's subsidiaries determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. The determination of functional currency is based on the primary economic environment in which an entity operates. The functional currency of an entity reflects the underlying transactions, events and conditions that are relevant to the entity.

The functional currency of Circle Medical Technologies, Inc. ("Circle Medical"), CRH Medical Corporation ("CRH") and Wisp Inc. ("Wisp") is the US dollar. The functional currency of Intrahealth Australia Limited is the Australian dollar, and the functional currency of Intrahealth New Zealand Limited and Intrahealth Systems Limited and Orion Health is the New Zealand dollar. The functional currency of all other entities in the consolidated group is the Canadian dollar.

Foreign operations that have a functional currency other than the Canadian dollar are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing foreign currency rate at the date of that consolidated statement of financial position;
- income and expenses are translated at the average exchange rate for that period (unless this is not a reasonable approximation of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rate on the dates of the transactions); and
- all resulting foreign currency gains and losses are recognized in other comprehensive income as a foreign currency translation adjustment.

The relevant amount of cumulative foreign currency translation adjustment is reclassified to earnings upon disposition of a foreign operation.

d) Financial instruments and hedge accounting

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

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

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

(i) Financial Assets

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

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

Debt instruments

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

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

Equity Instruments

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

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

Impairment

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

(ii) Financial Liabilities

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

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

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

(iii) Derivative Financial Instruments and Hedge Accounting

The Company uses derivative financial instruments to manage risk associated with foreign currency rates and interest rates. Derivative financial instruments are initially measured at fair value. When derivative financial instruments are designated in a qualifying hedging relationship and hedge accounting is applied, the effectiveness of the hedges is measured at the end of each reporting period and the effective portion of changes in fair value is recognized in other comprehensive income and any ineffective portion is recognized immediately in net income. For interest rate swaps used to manage risk associated with interest rates, amounts are transferred from accumulated other comprehensive income to interest expense when the underlying transaction affects net income. For foreign forward contracts used to manage risk associated with foreign exchange rates, amounts are transferred from accumulated other comprehensive income to revenue, cost of sales or general and administrative expenses, as appropriate, when the underlying transaction affects net income. For derivative instruments not in a qualifying hedging relationship, changes in fair value are recognized immediately in net income as either foreign exchange gain (loss) or interest expense, as appropriate.

(iv) Compound Financial Instruments

The component parts of compound financial instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. If the conversion feature meets the definition of equity, the fair value of the liability component is estimated at the date of issue of the instrument using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability (net of transaction costs) on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently remeasured. Transaction costs are apportioned between the liability and equity components of the convertible instruments, based on the allocation of proceeds to the financial liability and equity components when the instruments are initially recognized. Interest related to the financial liability component is recognized in the consolidated statement of loss. On conversion, the financial liability is reclassified to equity and no gain or loss is recognized.

If the conversion feature of a convertible instrument issued does not meet the definition of an equity instrument, it is classified as an embedded derivative and measured accordingly. The debt component of the instrument is determined by deducting the fair value of the equity conversion option at inception from the fair value of the consideration received for the instrument as a whole. This amount (the debt component) is recorded as a liability on an amortized cost basis using the effective interest rate method until extinguished upon conversion or at the instrument's maturity date.

e) Investments in associates and joint ventures

An associate is an entity in which the Company has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Company has joint control, whereby the Company has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the Company recognizes its share of the profit or loss and OCI of these entities, until the date on which significant influence or joint control ceases.

f) Share-based payments

The Company records the expense of share-based payments plans whereby employees and consultants may be granted awards in the form of stock options, restricted share units ("RSUs"), performance share units ("PSUs"), and deferred share units ("DSUs"). Share-based payments expense relates to the fair value of the awards being expensed over their respective vesting periods.

Stock options

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

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

The fair value of stock options is charged to profit or loss with a corresponding increase in share-based payment reserve within equity. Previously recognized expenses are not subsequently reversed for options that vest but are not exercised. If and when stock options are ultimately exercised, the applicable amount of share-based payment reserve is transferred to share capital.

RSUs, PSUs and DSUs

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

HEALWELL AI INC. ("HEALWELL") may issue DSUs under its share-based payment plan to directors as a component of their annual remuneration or as an individual award. DSUs awarded can be equity-settled or cash-settled at the discretion of the HEALWELL's Board of Directors. DSUs may be issued with vesting terms or may be issued fully vested. DSUs are settled when the board member is no longer rendering services to the Company.

g) Revenue recognition

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

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

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

See Note 5 for a breakdown of the Company's revenue from contracts with customers. See Note 10 for the Company's balance of accounts receivable, all of which is attributable to revenue generated from contracts with customers. When payments are received from customers in advance of performance obligations being satisfied, amounts are recorded as deferred revenue and contract liabilities (Note 16) on the consolidated statement of financial position.

The Company generates its revenue from the following sources:

Patient Services revenue

Patient services revenue is derived from (a) the provision of patient services, (b) the provision of anesthesia services, (c) the provision of recruiting services for placement of healthcare professionals, (d) ligator product sales, and (e) executive health patient memberships.

Patient services revenue is revenue earned at a single point in time and is generated through the Company's medical clinics and virtual platforms and consists of both non-insured and insured services. In Canada, public insured services refer to revenue generated for providing publicly accessible healthcare services that are reimbursed by the Canadian provincial health authorities. For services not covered by government reimbursement, amounts are charged directly to patients and/or third parties. In the U.S., revenue relates to services billed to third-party payors based on third-party payor agreements, as well as to patients who have health insurance, but are also financially responsible for some or all of the services in the form of co-pays, co-insurance or deductibles. Patients who do not have health insurance are required to pay for their services in full. The Company's performance obligations for clinical services are satisfied when services are rendered.

For patient services provided in the U.S. and charged to third-party payors or patients, the Company recognizes revenue net of provisions for contractual adjustments from third-party payors and patients. The Company has certain agreements with third-party payors that provide for reimbursement at amounts different from the Company's standard billing rates. The differences between the estimated reimbursement rates and the standard billing rates are accounted for as contractual adjustments, which are deducted from gross revenue to arrive at patient services revenue. The Company estimates implicit contractual adjustments based on the Company's historical collection experience with classes of patients or procedures as collective groups rather than individually. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to revenue in the period of the change.

Revenue is also generated from patient visits to its platforms or websites where access is provided to the Company's professional provider network of medical practitioners and where patients may purchase product or services through the websites. Revenue is generated mainly on a per-telehealth visit basis. Revenue is recognized when the performance obligation is satisfied, which occurs when the patients have access to the medical practitioners via the Company's telehealth platform, as consultation services are provided, or when products are delivered. The Company also generates subscription revenue from medical practitioners' access to the Company's telehealth platform to service their patients. Revenue is recognized over the period of time the medical practitioners have access to the platform.

Anesthesia service revenues are derived from anesthesia procedures performed under CRH professional services agreements. The fees for such services are billed either to a third-party payor, Medicare or Medicaid or other government insurers, or to the patient. The Company recognizes anesthesia service revenues, net of contractual adjustments, which are estimated based on the historical trend of cash collections and contractual adjustments. There is significant judgment involved in determining the estimated revenues that will be collected in the future due to the judgment required in estimating the amounts that third party payors will pay for services based on past collections. The transaction price is variable; variable consideration relates to contractual allowances, credit provisions and other discounts. IFRS 15 "Revenue from Contracts with Customers" requires management to estimate the transaction price, including any implicit concessions from the credit approval process.

Recruiting revenue consists primarily of fees earned from the temporary and permanent placement of healthcare professionals. Revenue is recognized over time as control of these services is transferred to the customers and in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services. The Company recognizes the majority of its revenue at the contractual amount that the Company has the right to invoice for services completed to date based on hours worked. In providing services, the Company controls the selection of providers fulfilling temporary and permanent placements. Additionally, the Company bears the risk for any services not fully paid for by customers. As such, the Company has recognized revenue on a gross basis.

Ligator product sales revenue is recognized at the time the product is shipped, which is when title passes to the customer, and when all significant contractual obligations have been satisfied, collection is probable, and the amount of revenue can be estimated reliably. Product sales contracts generally contain a single distinct performance obligation, but multiple performance obligations may exist when multiple product types are ordered by a physician in a contract. The transaction price for product sales is fixed and no variable consideration exists. Contract consideration is allocated to each distinct performance obligation in the contract based upon available stand-alone selling prices obtained from historical sales transactions for each product. Shipping services performed after control has passed to the customer, if any, are separate performance obligations, but are determined to be nominal.

Executive health patient membership revenue from private and corporate clients is recognized rateably over the contractual term of membership.

<u>SaaS and Technology Services revenue</u>

SaaS and Technology services revenue is derived from the provision of (a) Electronic Medical Records ("EMR") services, (b) cybersecurity consulting services, hardware, and software licenses, (c) billing-as-a-service ("BaaS") revenue, and (d) Software-as-a-service ("SaaS") revenue.

<u>Subscriptions and Ongoing Support Services</u>

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

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

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

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

Professional Services and Other Revenues

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

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

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

Cybersecurity services revenue is generated primarily from:

(a) consulting services which consist of assessing a customer's cybersecurity vulnerabilities. The Company recognizes revenue when the vulnerability report is delivered to the customer. Consulting services revenue also includes revenue from security support services, incident response services, and is generally recognized over the time period the services are delivered;

(b) hardware sales which are recognized when control has passed to the customer, which is usually upon delivery of the product to the customer; and

(c) software license sales and software support are assessed on a case-by-case basis to determine if the transaction contains a single or multiple performance obligations and if the Company is acting as the principal or as an agent. If the Company determines it is acting as the principal, the Company records revenue on a gross basis. If the Company determines it is acting as an agent, the Company records revenue on a net basis.

BaaS revenue is generated on a recurring basis, typically via a monthly subscription fee from providing outsourcing billing services to physicians. The Company recognizes revenue from the related services over the period during which the contract covers as this is consistent with the period during which the performance obligation is completed.

SaaS revenue is mainly derived from licenses to our EMR-integrated patient engagement tools and digital applications.

Revenue is recognized upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services or products. The Company generates revenue from Healthcare software, AI and Data Sciences, and Clinical Research and Patient Services (prior to its divestiture on November 1, 2025).

Healthcare Software consists of revenue generated from electronic health record software and healthcare data management services. This revenue is derived from:

- Annual Renewable Software Licenses – These licenses include the right to access the software for a given term, technical support, and maintenance services. The revenue is recognized ratably over the term of the agreement from the date the license term commences.
- Professional Services Revenue – This revenue is generated from software installation, implementation, training, and customization. Contracts for these services are structured as follows:
    - Time and Material – Revenue is recognized as such services are performed and based on agreed-upon charge rates with customers.

- Fixed Price Contracts – Revenue is recognized by the stage of completion of the performance obligation determined using the percentage of completion method if the contracts are fixed price. The input method is used to measure the progress of the contracts.

AI and Data Sciences generate revenue from rare and chronic disease screening, real-world evidence clinical study generation, advanced clinical decision support, and Physical ASI Co-Pilot Tools. This revenue is derived from:

- Services Revenue - This revenue is generated from developing AI-enabled algorithms, data lake reports, and other specialized services. These contracts are milestone-based and structured as follows:
  - Time and Material – Revenue is recognized as such services are performed and based on agreed-upon charge rates with customers.
  - Fixed Price Contracts – Revenue is recognized by the stage of completion of the performance obligation determined using the percentage of completion method if the contracts are fixed price. The input method is used to measure the progress of the contracts.
- Annual Renewable Software Licenses – These licenses include the right to access the software for a given term, technical support, and maintenance services. The revenue is recognized ratably over the term of the agreement from the date the license term commences.

Clinical Research generates revenue through full-service early-stage Bioanalysis and Phase I-IV clinical trials. Revenue was derived from:

- Professional services from clinical research studies related to amounts charged to large pharmaceutical, medical device, and consumer produce companies to study the efficacy and use of pharmaceuticals, medical devices, and consumer products. These contracts are structured as milestone-based fixed-price projects where revenue is recognized as follows:
  i. Fixed Price Contracts – Revenue is recognized by the stage of completion of the performance obligation determined using the percentage of completion method if the contracts are fixed price. The input method is used to measure the progress of the contracts.

h) Research and Development

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

i) Government Assistance and Investment Tax Credits

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

j) Provisions and contingent liabilities

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

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

k) Income taxes

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

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

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

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

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

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

l) Share capital

Common shares are classified as equity. Costs directly attributable to the issuance of shares are recognized as a deduction from equity. Share issuance costs consist of legal and other costs relating to raising capital. Share capital issued as non-monetary consideration is recorded at an amount based on the fair value of the services provided.

m) Earnings per share

Basic earnings per share is computed by dividing the net income available to common shareholders by the weighted average number of common shares issued and outstanding during the period. Diluted earnings per share is computed by adjusting basic earnings per share for the effects of all potentially dilutive stock options, warrants and similar instruments. The Company uses the treasury stock method to compute the dilutive effect of stock options, warrants, and similar instruments unless they are anti-dilutive. Under this method, the dilutive effect on earnings per share is recognized on the use of the proceeds that could be obtained upon exercise of stock options, warrants, and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the period.

n) Property and equipment

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

• Computer equipment	3 years
• Furniture and fixtures	5 -10 years
• Medical equipment	3 – 15 years
• Right-of-use assets	Term of the right-of-use plus renewal options
• Leasehold improvements	Term of lease plus renewal options, or 20 years

o) Intangible assets

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

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

• Customer relationships	8 – 15 years
• Brands & Trademarks	10 years
• Technology, Software & other	3 — 13 years
• Licenses	Indefinite

Goodwill is measured at cost less accumulated impairment losses.

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

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

An impairment loss is recognized in earnings to the extent that the carrying value of an asset, CGU or group of CGUs exceeds its estimated recoverable amount. The recoverable amount of an asset, CGU or group of CGUs is the greater of its value in use and its fair value less cost to sell. Value in use is calculated as the present value of the estimated future cash flows discounted at appropriate discount rates.

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

p) Leases

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

Leases – the Company as a lessee

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

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

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

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

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company elects, as a practical expedient, not to separate out non-lease components from lease components of a lease, and account for them as a single lease component.

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

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

Subleases – the Company as a lessor

In classifying a sublease, the Company classifies the sublease as a finance lease, or an operating lease as follows:

- If the head lease is a short-term lease, the sublease is classified as an operating lease.
- Otherwise, the sublease shall be classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset.

q) Adoption of accounting standards

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

IFRS 9 and IFRS 7 Amendments

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

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

Revenue recognition

Estimates are required in the determination of the timing and amount of anesthesia service revenues and certain patient services revenues and the recoverability of the related accounts receivable. The Company recognizes anesthesia service revenues and certain patient services revenues net of contractual adjustments and implicit price concessions, which are estimated based on the historical trend of cash collections and contractual adjustments. For certain patient services relating to the Company's subsidiary Circle Medical, management used an expert to assist with the significant judgement that is required in determining the Company's right to payment under those contracts with payors.

Impairment testing of goodwill and other intangible assets

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

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

Value and growth rates, operating margins, and discount rates. In arriving at its forecasts, the Company considered historical performance, current industry trends, and market opportunities.

Investment in subsidiaries and associates

When accounting for its investments in other entities, the Company must determine which entities it controls and over which entities it has significant influence. Control over a subsidiary exists when the Company is exposed to and has the rights to variable returns of the subsidiary and has the ability to affect those returns through its power over the entity. Significant influence exists when the Company has the power to participate in the financial and operating policy decisions of an entity but does not control or jointly control those policies. The Company applies considerable judgment when evaluating the relevant interests, rights, relationships, and other relevant factors to determine whether it controls another entity or has significant influence over another entity. Such judgments include determining what constitutes the relevant activities of an entity and how they are directed, determining whether potential voting rights are substantive rights, and assessing the impact of any financial or operational dependencies, shared or common key management personnel or any special relationships that suggest that the Company may have more than a passive interest in the other entity.

Business combinations

On the completion of business acquisitions, management's judgment is required to estimate the fair value of purchase consideration and to identify and estimate the fair values of assets, liabilities, and non-controlling interests. The determination of the fair value of assets and liabilities acquired is based on management's estimates using the excess earnings method and relief from royalty method to value intangible assets using discounted cash flow models. Significant assumptions include revenue growth rates, customer attrition and discount rates.

Recognition of contingent consideration

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

Initial recognition of right-of-use assets, lease receivable and liability

The preparation of consolidated financial statements requires that the Company's management makes assumptions and estimates on the classification of leases and the right-of-use assets. When assessing the classification of a lease agreement, certain estimates and assumptions need to be made and applied, which include, but are not limited to, the determination of the expected lease term and minimum lease payments, implicit borrowing rate, the assessment of the likelihood of exercising renewal options, annual inflation factor and estimation of the fair value of the lease property at lease commencement.

Assets held for sale

Judgment is required in assessing whether certain assets meet the criteria to be classified as held for sale. For non-current assets and disposal groups to be considered as held for sale, the asset or disposal group must be available for immediate disposal, by sale or otherwise, in its present condition subject only to terms that are usual and customary for sales of such assets or disposal groups and its sale must be highly probable.

Fair value of financial instruments

The Company uses various valuation methodologies when estimating the fair value of its financial assets and financial liabilities. Fair values are based on quoted market prices where available from active markets, otherwise fair values are estimated using internal and external valuation models including discounted cash flow analysis, option pricing models and other more complex mathematical models, as applicable. Fair values determined using valuation models require the use of estimates and assumptions concerning the amount and timing of estimated future cash flows, discount rates, credit risk, and other factors. In determining these assumptions, the Company uses primarily external, readily observable market inputs, including share prices, interest rates, credit spreads and historical share price volatilities, as applicable. Assumptions or inputs that are not based on observable market data are used when external data are unavailable including expected share price volatility, expected terms, restriction period discounts and other inputs. Management applies significant judgment in selecting the valuation model to be used for estimating fair value for each financial instrument, determining model input assumptions, determining which inputs are significant to the valuation, and when applying adjustments to model values for unobservable factors. The fair value estimates that require the most significant judgment and estimation relate to the Company's investments in HEALWELL including convertibles debentures, warrants and call option (Note 12) and the Company's deferred acquisition cost liabilities (Note 17), and the resulting change in fair value of investments as reported in the consolidated statement of income (Note 12).

5. REVENUE

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

	Years ended	
(in thousands of Canadian dollars)	**December 31, 2025**	December 31, 2024
Public insured	**451,961**	313,568
Non-public and other	**775,754**	537,811
Patient Services	**1,227,715**	851,379
SaaS and Technology Services	**172,464**	68,309
Total revenue	**1,400,179**	919,688

6. GENERAL AND ADMINISTRATIVE EXPENSES

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

	Years ended	
(in thousands of Canadian dollars)	**December 31, 2025**	December 31, 2024
Salaries and benefits	**213,131**	148,842
Marketing and promotion	**92,511**	84,598
Professional and consulting fees	**37,519**	22,072
Office expenses	**32,901**	28,495
IT expenses	**26,601**	17,284
Other	**7,023**	4,909
	409,686	306,200

7. INTEREST INCOME AND EXPENSE

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

		Years ended	
		December 31,	December 31,
(in thousands of Canadian dollars)	Note	**2025**	2024
Interest accretion on subleases		**129**	127
Interest income on cash		**1,586**	1,145
Interest income		**1,715**	1,272
Interest on loans and borrowings		**26,046**	21,901
Interest on convertible debentures	18	**13,894**	9,523
Interest on redeemable preferred shares		**8,957**	409
Interest accretion on lease liability	19	**4,177**	3,672
Accretion of discount on deferred acquisition costs	17	**3,404**	735
Amortization of deferred financing fees		**1,400**	1,376
Interest expense		**57,878**	37,616

8. TIME-BASED EARNOUT EXPENSE

The following table shows a breakdown of time-based earnout expense for the years ended December 31, 2025, and 2024:

	Years ended	
	December 31,	December 31,
(in thousands of Canadian dollars)	**2025**	2024
Time-based earnout expense	**2,749**	4,248
(Gain) loss on settlement of certain deferred acquisition cost and time-based earnout liabilities via shares	**(1,931)**	181
Loss on revaluation of deferred acquisition cost liabilities	**6,981**	3,029
	7,799	7,458

During the year ended December 31, 2025, the Company recognized a loss on the revaluation of deferred acquisition cost liabilities, of $6,981 (2024 - $3,029 loss) of which $4,891 (2024 - $4,625) related to the acquisition of MyHealth Partners Inc. ("MyHealth"). The revaluations reflect differences between actual deferred acquisition cost payments made during the period and estimates made in prior periods, plus the re-estimation of future earnout payments to be made over the remaining earnout period due to changes in estimates and assumptions relating to the earnings measure used in the earnout calculation. For the year ended December 31, 2024, the loss on revaluation of the MyHealth deferred acquisition cost liability also reflected the impact from an agreement signed in February 2023 that amended the terms of the MyHealth earnout arrangement.

The earnings measure defined in the earnout agreement used to determine the amount of the MyHealth earnout obligation represents an unobservable input in the fair valuation calculation. Any increase or decrease in the earnings measure projection would result in a higher or lower fair value of the deferred acquisition cost liability and would have a corresponding impact on the losses recognized during the years ended December 31, 2025 and 2024. The Company determined that reasonably possible changes in the key assumptions relating to projecting the MyHealth earnings measure would not have resulted in a material impact on the Company's consolidated financial statements.

9. OTHER INCOME / EXPENSES

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

		Years ended	
		December 31,	December 31,
(in thousands of Canadian dollars)	Note	**2025**	2024
Legal settlement (recovery) / costs	25	**(4,911)**	20,436
Transition services income	22	**(423)**	(1,377)
Other expenses		**4,841**	6,912
		(493)	25,971

10. 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 December 31, 2025 and December 31, 2024:

	December 31,	December 31,
(in thousands of Canadian dollars)	**2025**	2024
Accounts receivable – gross	**177,274**	188,744
Less: expected credit losses	**(6,330)**	(4,239)
	170,944	184,505
Accounts receivables - gross		
Canadian Patient Services – Primary	**18,544**	15,034
Canadian Patient Services – Specialized – MyHealth	**15,732**	13,322
U.S. Patient Services – Primary – Circle Medical	**6,716**	11,936
U.S. Patient Services – Primary – Wisp	**729**	1,300
U.S. Patient Services – Primary – CRH Medical	**64,624**	100,284
U.S. Patient Services – Primary – Provider Staffing	**22,462**	19,073
HEALWELL	**25,024**	—
SaaS and Technology Services	**17,721**	20,214
Other receivables	**5,722**	7,581
	177,274	188,744

The Company evaluates credit losses on a periodic basis based on the aging and collectability of its accounts receivable. As at December 31, 2025, the Company recognized expected credit losses of $6,330 (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.

(b) Contract 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.

The following table shows the details of the Company's contract assets and liabilities as at December 31, 2025 and December 31, 2024:

	December 31,	December 31,
(in thousands of Canadian dollars)	**2025**	2024
Contract assets	**17,769**	—
Contract liabilities	**(22,633)**	—

11. PREPAYMENTS AND OTHER ASSETS

		Years ended	
		December 31,	December 31,
(in thousands of Canadian dollars)	Note	**2025**	2024
Current:			
Prepaid expenses		**23,743**	9,484
Income tax receivables		**1,255**	3,054
Employee receivables	22	**12,657**	12,150
Others		**7,017**	2,560
		44,672	27,248
Non-current:			
Others		**7,736**	4,945
		52,408	32,193

12. 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 December 31, 2025 and 2024:

		December 31,	December 31,
(in thousands of Canadian dollars)		**2025**	2024
HEALWELL	(a)	**—**	147,824
Tali.ai	(b)	**2,154**	2,154
Phelix	(c)	**2,859**	2,859
Anesthesia RCM	(d)	**—**	2,901
Funds holding X.AI Securities	(e)	**4,607**	—
Longevity AI	(f)	**1,432**	—
Others	(g) (h)	**5,019**	2,738
		16,071	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 year ended December 31, 2025, the Company recognized fair value losses of $21,709 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, fair value gain on Mutuo call options and warrants of $1,282, and fair value gain of $800 on all other financial assets (year ended December 31, 2024 – fair value gains totalling $101,484).

During the year ended December 31, 2025, the Company wrote off $1,309 of investments and recognized an impairment charge.

(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.

On October 1, 2023, the Company completed a strategic alliance and investment transaction with HEALWELL (TSX: AIDX, formerly MCI Onehealth Technologies Inc.), a healthcare technology company focused on AI and data science for preventative care, whereby it acquired or obtained the following (collectively the "HEALWELL Transaction"):

- certain Ontario based clinical assets including 14 medical and allied care clinics and an 80% interest in MCI Prime Urgent Care Clinic Inc. from MCI Medical Clinics Inc., a subsidiary of HEALWELL;
- $6,204 in secured debt plus accrued interest due from HEALWELL to a lender of and related party to HEALWELL with interest at prime plus 9% and maturity date of April 30, 2024;

- $4,000 of convertible debenture units in HEALWELL consisting of $4,000 of convertibles debentures with five-year maturity and 10% interest coupon and 20,000,000 warrants. The $4,000 of convertible debentures and 20,000,000 warrants are convertible or exercisable into Class A Subordinate Voting shares of HEALWELL at $0.20 per share;
- a conditional call option to purchase 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 in HEALWELL at $0.0001 per share from the HEALWELL founders over time. The call option was not exercisable until both of the following trigger conditions had been met:
    - (a) a capital raise threshold whereby HEALWELL has completed one or more public offerings or private placements for aggregate gross proceeds in cash of not less than $20,000 (including proceeds from its convertible debt financing that occurred on October 1, 2023); and
    - (b) one or both of the following had occurred:
        - i. two years from October 1, 2023 have elapsed; or
        - ii. the consolidated Adjusted EBITDA of HEALWELL (based on the definition of Adjusted EBITDA adopted by the Company in its Management's Discussion and Analysis filed with the securities commissions) has been greater than zero for any two consecutive fiscal quarters following the effective date of October 1, 2023; and
- representation on HEALWELL's board of directors.

Total consideration paid by the Company in relation to the HEALWELL Transaction was $8,784, consisting of cash of $5,500 and shares of the Company with value of $3,284 on October 1, 2023. The convertible debentures plus warrants were accounted for as a standalone transaction for consideration of $4,000. The remaining consideration of $4,784 was allocated to the other assets based on their relative fair values at the date of acquisition including $2,864 to the clinical assets, $1,920 to the call option and $nil to the secured debt receivable. No consideration was allocated to the secured debt receivable as the Company was committed to forgiving the debt as soon as certain conditions were met. On June 29, 2024, the Company forgave the secured debt receivable plus accrued interest to that date in accordance with the terms of an agreement with HEALWELL.

In the fourth quarter of 2023, the Company acquired 958,333 Class A Subordinate Voting shares of HEALWELL for $700 as part of HEALWELL's bought deal equity financings. On February 1, 2024, the Company acquired an additional 21,682,465 Class A Subordinate Voting shares in HEALWELL with fair value of $14,961 as part of the consideration for the sale of Intrahealth to HEALWELL. As of December 31, 2024, the Company had a 13% economic interest and 14% voting interest in HEALWELL, inclusive of the impact of currently exercisable potential voting rights.

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. 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. 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.

During the three months ended March 31, 2025, prior to the Company's acquisition of control of HEALWELL, 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 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 12 (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.

The following table summarizes, for each financial instrument, the consideration allocated (the transaction price) on December 31, 2025 and December 31, 2024.

Financial instrument (in thousands of Canadian dollars)	Fair value on December 31, 2025	Fair value on December 31, 2024
Convertible debentures, including accrued interest	—	47,990
Warrants	—	38,610
Call option	—	61,224
Total	—	147,824

The fair values of the HEALWELL convertible debentures, warrants and call option were estimated using complex mathematical models or option pricing models that incorporate directly observable market inputs for HEALWELL share price, risk-free interest rates and credit spreads and unobservable inputs for expected share price volatilities, expected terms and restriction period discounts, as applicable. Any increase to expected share price volatility, increase in expected term and reduction to restriction period discount would result in higher fair values for these financial instruments, and vice versa. The Company determined that reasonably possible changes to these unobservable inputs, as applicable, would not have a material impact on the fair valuation calculations and the gains recognized in net income for the years ended December 31, 2025 and 2024.

(b) Investment in 11855760 Canada Inc. dba Tali.ai ("Tali.ai")

On December 13, 2021, the Company entered into a secured convertible promissory note and warrant transaction with Tali.ai for $1,000. The convertible promissory note bore interest at a rate of 8% per annum, with a maturity date of December 13, 2025. On October 16, 2023, the Company subscribed for shares in Tali.ai and exercised a portion of its warrants for consideration of $622. The Company also converted its promissory notes (including accrued interest income of $60) to shares. The Company estimated the fair value of the investment to be $2,154 as at December 31, 2025 and 2024.

(c) Investment in Phelix AI Inc. ("Phelix")

In May and September 2020, the Company entered into secured convertible promissory note and warrant transactions with Phelix for a total of $280. The convertible promissory notes bore interest at a rate of 10% per annum, compounded annually, from the date of issue, and had three-year terms. On March 1, 2021, the Company converted the outstanding principal and accrued interest of convertible promissory notes into common shares of Phelix. In 2021, the Company also subscribed for additional shares of Phelix for $523 (US$412). The Company estimated the fair value of the investment to be $2,859 as at December 31, 2025 and 2024.

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

As at December 31, 2024, the carrying value of the investment of $2,901, which represented cost adjusted for foreign currency translation, approximated fair value.

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 investment at the time of redemption and has been recorded in other assets, current and non-current and the investment has been derecognized on the Company's consolidated statement of financial position.

(e) Investment in Funds holding X.AI Securities

On May 9, 2024, HEALWELL invested in Think 1st Principles the fund with the opportunity to realize the long-term appreciation from investments in the securities of X.AI Corp ("X.AI"). The Company invested $2,752 (US$2,000) to acquire an indirect interest in less than 1% total outstanding shares in X.AI which is an American startup company working in the area of artificial intelligence. In March 2025, X.AI acquired X (formerly Twitter) in an all-stock deal, valuing X.AI at $80 billion and X at $33 billion. The fair value of the investment in X.AI therefore increased to $4,607 as at December 31, 2025 (December 31, 2024 - $nil).

(f) Investment in Longevity AI Ltd. ("Longevity AI")

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

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

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

(h) Mutuo warrants

The SPA between Mutuo and HEALWELL and then with WELLSTAR included an executed subscription agreement for 1,326,260 warrants which entitle WELLSTAR to subscribe to additional shares of Mutuo at an exercise price of $0.754 per warrant shares. Each warrant share represents one share of Mutuo.

On February 20, 2026, WELLSTAR exercised its warrants with Mutuo at an exercise price of $0.754 per warrant share for a total payment of $1,000. Each warrant share provided WELLSTAR with one additional share of Mutuo. In addition on February 20, 2026 WELLSTAR exercised its call option with Mutuo for an aggregate exercise price of $6,128, of which $4,086 was payable in cash, with the balance payable under the terms of a time-based earnout arrangement.

13. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

(a) Material subsidiaries

The Company's principal subsidiaries as of December 31, 2025 are set out below. Unless otherwise stated, these subsidiaries have share capital consisting solely of common shares that are held directly by the Company, and the proportion of ownership interest held equals the voting rights held by the Company. The country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ country of incorporation	Ownership interest[(2)] held by WELL 2025	2024	Ownership interest held by non-controlling interest 2025	2024	Principal activities
CRH Medical Corporation[(1)]	US	100%	100%	0%	0%	Specialized Patient Services
WELL Health Clinics Network Inc.	Canada	100%	100%	0%	0%	Primary & Specialized Patient Services
MyHealth Partners Inc.	Canada	100%	100%	0%	0%	Specialized Patient Services
WELLSTAR Technologies Corp.	Canada	98%	98%	2%	2%	SaaS and Technology Services
CYBERWELL Solutions Inc.	Canada	89%	89%	11%	11%	SaaS and Technology Services
Circle Medical Technologies Inc.	US	70%	70%	30%	30%	Primary Patient Services
Wisp Inc.	US	52%	52%	48%	48%	Primary Patient Services
HEALWELL AI INC.	Canada	33%	13%	67%	87%	SaaS and Technology Services

(1) As at December 31, 2025 and 2024, CRH had 69 and 70 operating subsidiaries, respectively, for which ownership interests range from 51% to 100%

(2) WELL holds Multiple Voting Shares of HEALWELL, representing a 37% economic interest and a 69% voting interest in HEALWELL at April 1, 2025

(b) Non-controlling interests (NCI)

(i) Set out below is summarized financial information for the Company's subsidiary, CRH, that has non-controlling interests that are material to the Company. CRH's operating agreements with non-physician partners contain terms that may require CRH to redeem the physician partner's ownership interests at fair market value upon the occurrence of certain government actions, including a change in, or a change in interpretations of, U.S. or Federal State laws, rules or regulations. The amounts disclosed are before inter-company eliminations.

Summarized balance sheets

(in thousands of Canadian dollars)	**December 31, 2025**	December 31, 2024
Current assets	**103,118**	193,465
Non-current assets	**623,440**	621,880
Total assets	**726,558**	815,345
Current liabilities	**(69,072)**	(201,644)
Non-current liabilities	**(281,674)**	(251,049)
Total liabilities	**(350,746)**	(452,693)
Net assets	**375,812**	362,652
Accumulated NCI	**82,027**	62,284

Summarized statements of comprehensive income

(in thousands of Canadian dollars)	**Years ended December 31, 2025**	December 31, 2024
Revenue	**503,402**	354,973
Profit (loss) for the period	**35,509**	(20,812)
Other comprehensive (loss) income	**(18,044)**	30,416
Total comprehensive income	**17,465**	9,604
Profit allocated to NCI	**24,914**	10,477
Distributions paid to NCI	**24,839**	27,245

Summarized cash flows

(in thousands of Canadian dollars)	**Years ended December 31, 2025**	December 31, 2024
Cash flows from operating activities	**(29,394)**	(24,632)
Cash flows from investing activities	**(31,244)**	(10,435)
Cash flows from financing activities	**2,798**	93,596
Net (decrease) increase in cash	**(57,840)**	58,529

(ii) Set out below is summarized financial information for the Company's subsidiary, HEALWELL, that has non-controlling interests that are material to the Company.

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 Voting 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 24).On April 1, 2025, the Company and HEALWELL founders amended the terms of the conditional call option to purchase HEALWELL shares such that it became exercisable, and the Company exercised the call option.

On April 1, 2025, the Company exercised its call option to acquire 30,800,000 Class A Subordinate Voting Shares.

Summarized balance sheets

(in thousands of Canadian dollars)	**December 31, 2025**
Current assets	**63,963**
Non-current assets	**245,665**
Total assets	**309,628**
Current liabilities	**(76,440)**
Non-current liabilities	**(92,250)**
Total liabilities	**(168,690)**
Net assets	**140,938**
Accumulated NCI	**36,985**

Summarized statements of comprehensive income

(in thousands of Canadian dollars)	**Period from April 1, 2025 to December 31, 2025**
Revenue	**113,561**
Loss for the period	**(33,431)**
Other comprehensive (loss) income	**(1,930)**
Total comprehensive income	**(35,361)**
Profit allocated to NCI	**(23,852)**
Distributions paid to NCI	**—**

Summarized cash flows

(in thousands of Canadian dollars)	**Period from April 1, 2025 to December 31, 2025**
Cash flows from operating activities	**(15,487)**
Cash flows from investing activities	**16,959**
Cash flows from financing activities	**(4,251)**
Net increase in cash	**(2,779)**

(c) Investments accounted for using the equity method

The Company had the following interests in associates as at December 31, 2025 that are accounted for using the equity method.

Name of entity	**Place of business/ country of incorporation**	**Economic ownership interest percentage**	**Voting interest percentage(1)**	**Dates acquired**	**Nature of relationship**	**Carrying value**
Simpill Health Group Inc. ("Pillway")(i)	Canada	12%	12%	December 2, 2020	Associate	$2,962
HEALWELL AI Inc.(2) ("HEALWELL")(ii)	Canada	29%	13%	October 17, 2023	Associate	$9,563

(1) Including impact of currently exercisable potential voting rights.

(2) Equity method investment in HEALWELL was derecognized on April 1, 2025 when HEALWELL became a consolidated subsidiary. Details presented represent status at March 31, 2025.

(i) Pillway

On December 2, 2020, the Company acquired a 25% equity interest in Pillway, a digital pharmacy that provides e-prescription products and services in Canada. The Company's current equity ownership as of December 31, 2025 in Pillway is 12% (December 31, 2024 - 18%) as a result of further equity financings by Pillway since the Company's initial investment. The table below provides summarized annual financial information for Pillway as of and for the years ended December 31, 2025 and 2024. The information disclosed reflects the amounts presented in the consolidated financial statements of Pillway and not the Company's share of those amounts.

Summarized financial information

(in thousands of Canadian dollars)	**December 31, 2025**	December 31, 2024
Current assets	**18,279**	7,484
Non-current assets	**914**	942
Total assets	**19,193**	8,426
Current liabilities	**(1,319)**	(885)
Non-current liabilities	**(98)**	(105)
Total liabilities	**(1,417)**	(990)
Net assets	**17,776**	7,436
Revenue	**8,815**	5,510
Net loss	**(3,842)**	(2,643)
WELL's share of net loss	**(548)**	(480)

(ii) HEALWELL

Based on all relationships with and interests in HEALWELL, the Company determined that it had significant influence over the operating and financial policies of HEALWELL as of October 1, 2023, December 31, 2023 and December 31, 2024 despite having less than 20% of the voting rights of HEALWELL, including currently exercisable potential voting rights. Accordingly, the Company's equity investment in HEALWELL has been accounted for using the equity method. The fair value of the Company's equity investment in HEALWELL was $47,772 as at December 31, 2024 based on Level 1 observable inputs of the fair value hierarchy.

The table below provides summarized annual consolidated financial information for HEALWELL as of and for the year ended December 31, 2024. The information disclosed reflects the amounts presented in the financial statements of HEALWELL and not the Company's share of those amounts.

The Company recorded $2,237 as share of net loss for the three months ended March 31, 2025

Summarized financial information

(in thousands of Canadian dollars)	**December 31, 2025**	December 31, 2024
Current assets	—	18,328
Non-current assets	—	107,207
Total assets	—	125,535
Current liabilities	—	(23,320)
Non-current liabilities	—	(28,543)
Total liabilities	—	(51,863)
Net assets	—	73,672
Revenue	—	38,972
Net loss	—	(27,483)
WELL's share of net loss	—	(3,830)

14. PROPERTY AND EQUIPMENT

(in thousands of Canadian dollars)	Note	Computer equipment	Furniture and fixtures	Medical equipment	Leasehold improvements	Construction in progress	Right-of-use assets	Total
Net book value at December 31, 2024		**3,179**	**1,558**	**13,908**	**12,761**	**480**	**69,876**	**101,762**
Additions		**3,612**	**350**	**4,167**	**1,471**	**2,682**	**6,989**	**19,271**
Acquired via business combinations	24	**657**	**704**	**837**	**3,391**	**—**	**24,592**	**30,181**
Lease remeasurement		**—**	**—**	**—**	**—**	**—**	**(2,556)**	**(2,556)**
Exchange difference		**37**	**12**	**(10)**	**(29)**	**—**	**(732)**	**(722)**
Depreciation for the period		**(2,346)**	**(430)**	**(2,642)**	**(2,443)**	**—**	**(20,665)**	**(28,526)**
Net book value at December 31, 2025		**5,139**	**2,194**	**16,260**	**15,151**	**3,162**	**77,504**	**119,410**
As at December 31, 2025:								
Cost		**16,362**	**7,836**	**28,329**	**30,177**	**3,162**	**154,734**	**240,600**
Accumulated depreciation		**(11,223)**	**(5,642)**	**(12,069)**	**(15,026)**	**—**	**(77,230)**	**(121,190)**
		5,139	**2,194**	**16,260**	**15,151**	**3,162**	**77,504**	**119,410**

(in thousands of Canadian dollars)	Note	Computer equipment	Furniture and fixtures	Medical equipment	Leasehold improvements	Construction in progress	Right-of-use assets	Total
Net book value at December 31, 2023		2,332	1,690	13,596	11,741	96	73,085	102,540
Additions		1,349	441	2,619	1,831	444	10,635	17,319
Acquired via business combinations	24	82	24	47	626	—	2,623	3,402
Lease remeasurement		—	—	—	—	—	743	743
Transfers		—	—	—	58	(58)	—	—
End of lease/Early terminations		—	—	—	—	—	(1,211)	(1,211)
PPA Finalization		—	—	722	—	—	—	722
Exchange difference		92	(54)	(418)	413	(2)	329	360
Depreciation for the period		(676)	(543)	(2,658)	(1,908)	—	(16,328)	(22,113)
Net book value at December 31, 2024		3,179	1,558	13,908	12,761	480	69,876	101,762
As at December 31, 2024:								
Cost		8,513	3,709	22,449	17,134	480	116,423	168,708
Accumulated depreciation		(5,334)	(2,151)	(8,541)	(4,373)	—	(46,547)	(66,946)
		3,179	1,558	13,908	12,761	480	69,876	101,762

15. INTANGIBLE ASSETS AND GOODWILL

(in thousands of Canadian dollars)	Note	Customer relationships	Technology	Brands	Licenses	Intangibles Total	Goodwill
COST							
Balance at December 31, 2024		**516,664**	**43,883**	**15,455**	**181,761**	**757,763**	**565,117**
Acquired via business combination	24	**129,504**	**63,016**	**28,028**	**4,563**	**225,111**	**253,857**
Acquired via asset acquisitions	24	**26,015**	**—**	**—**	**—**	**26,015**	**—**
Internally generated intangible assets		**—**	**15,588**	**—**	**—**	**15,588**	**—**
Disposal		**(2,287)**	**—**	**—**	**—**	**(2,287)**	**—**
Impairment	24	**—**	**—**	**—**	**—**	**—**	**(10,297)**
Exchange difference on foreign currency translation and other		**(34,185)**	**7,113**	**1,940**	**(313)**	**(25,445)**	**(21,062)**
Balance at December 31, 2025		**635,711**	**129,600**	**45,423**	**186,011**	**996,745**	**787,615**
ACCUMULATED AMORTIZATION							
Balance at December 31, 2024		**(168,849)**	**(10,981)**	**(3,971)**	**—**	**(183,801)**	**—**
Amortization for the period		**(50,560)**	**(12,228)**	**(2,448)**	**—**	**(65,236)**	**—**
Disposal		**2,085**	**—**	**—**	**—**	**2,085**	**—**
Exchange difference on foreign currency translation		**18,188**	**(7,741)**	**(28)**	**—**	**10,419**	**—**
Balance at December 31, 2025		**(199,136)**	**(30,950)**	**(6,447)**	**—**	**(236,533)**	**—**
Net carrying amount at December 31, 2025		**436,575**	**98,650**	**38,976**	**186,011**	**760,212**	**787,615**

(in thousands of Canadian dollars)	Note	Customer relationships	Technology	Brands	Licenses	Intangibles Total	Goodwill
COST							
Balance at December 31, 2023		441,445	30,001	14,824	181,761	668,031	508,061
Acquired via business combination	24	20,185	—	—	—	20,185	—
Acquired via asset acquisitions	24	9,023	2,993	—	—	12,016	28,332
Internally generated intangible assets		—	9,821	—	—	9,821	—
Disposal	24	—	—	—	—	—	—
Impairment	24	—	—	—	—	—	—
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
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)	—
Disposal		—					—
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)	—
Net carrying amount at December 31, 2024		347,815	32,902	11,484	181,761	573,962	565,117

The Company tests goodwill and indefinite life intangible assets for impairment on an annual basis as at September 30 and whenever events or changes in circumstances indicate that an asset's carrying amount may be less than its recoverable amount.

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

a) Average annual revenue growth rate

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

b) Discount rate

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

c) Terminal growth rate

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

Impairment tests as at September 30, 2025

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

CGU or group of CGUs	Carrying value of CGU or group of CGUs	Carrying value of goodwill in CGU or group of CGUs	Carrying value of indefinite life intangible assets in CGU or group of CGUs	Average annual revenue growth rate	Discount rate	Terminal growth rate
Canadian Patient Services – Primary	133,206	131,054	—	4.6%	8.8%	3.0%
CRH Medical	612,288	275,649	—	4.8%	9.5%	3.0%
CRH Provider Staffing	82,347	28,109	—	12.5%	9.5%	3.0%
Canadian Patient Services – Specialized MyHealth	222,879	45,136	181,703	4.2%	8.8%	3.0%
Circle Medical	18,636	15,481	—	28.6%	11.3%	3.0%
Wisp	56,411	41,691	—	25.1%	11.2%	3.0%
WELLSTAR	66,682	67,839	—	9.5%	9.9%	3.0%
CYBERWELL	30,414	16,129	—	30.2%	10.2%	3.0%
HEALWELL	325,303	142,100	_	8.1%	8.7%	3.0%

a) Impairment test results:

The Company did not recognize any impairment loss related to goodwill or intangible assets in 2025 because the recoverable amounts of the Company's CGUs or groups of CGUs, as applicable, exceeded their carrying values. In the third quarter HEALWELL recognized an impairment of $10,297 and was fully allocated to Goodwill. Subsequent to the impairment tests performed as at September 30, 2025, the Company identified no indicators of impairment as of December 31, 2025.

b) Sensitivity analysis:

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

Impairment tests as at September 30, 2024

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

CGU or group of CGUs	Carrying value of CGU or group of CGUs	Carrying value of goodwill in CGU or group of CGUs	Carrying value of indefinite life intangible assets in CGU or group of CGUs	Average annual revenue growth rate	Discount rate	Terminal growth rate
Canadian Patient Services – Primary	115,032	71,325	—	11.4%	9.1%	3.0%
CRH Medical	497,759	267,101	—	5.0%	9.9%	3.0%
CRH Provider Staffing	39,166	10,854	—	11.8%	9.9%	3.0%
Canadian Patient Services – Specialized MyHealth	244,654	42,099	181,703	4.8%	9.5%	3.0%
Circle Medical	47,017	21,226	—	29.0%	11.6%	3.0%
Wisp	84,784	68,059	—	25.1%	12.1%	3.0%
WELLSTAR	79,261	61,017	—	14.4%	10.1%	3.0%
CYBERWELL	18,271	14,040	—	9.2%	10.5%	3.0%

a) Impairment test results:

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

b) Sensitivity analysis:

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

The estimated recoverable amount of CYBERWELL and MyHealth CGUs exceeded their carrying values by $6,828 and $26,335, respectively. If the assumptions used in the impairment tests were changed by a relative amount greater than as presented in the following table, the changes would, in isolation, lead to an impairment loss being recognized for the year ended December 31, 2024:

	Change required for carrying value to equal recoverable amount	
	CYBERWELL	MyHealth
Average annual growth rate	(1.30)%	(0.59)%
Discount rate	3.24%	0.74%

Subsequent to the impairment tests performed as at September 30, 2024, the Company identified indicators of impairment for the Circle Medical CGU, primarily relating to changes in expected revenues and cash flows. The Company conducted an impairment test as at December 31, 2024. Based on the results of the test, the recoverable amount of the Circle Medical CGU exceeded its carrying value and no impairment loss was recognized for the year ended December 31, 2024.

16. DEFERRED REVENUE

(in thousands of Canadian dollars)		**December 31, 2025**	December 31, 2024
Balance, beginning of period		**59,450**	6,903
Acquired via business combinations	24	**3,638**	—
Billings		**49,175**	82,479
Revenue recognized		**(83,189)**	(32,567)
Exchange difference		**(2,300)**	2,635
Balance, end of period		**26,774**	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 December 31, 2025, deferred revenue includes the following amounts billed:

(in thousands of Canadian dollars)	**December 31, 2025**	December 31, 2024
U.S. Patient Services – Primary – Circle Medical	**17,579**	53,949
SaaS and Technology Services - WELLSTAR	**2,544**	1,977
Other operating segments	**6,651**	3,524
	26,774	59,450

During the year ended December 31, 2025, Circle Medical derecognized $14,846 for patient services rendered and recognized it as deferred revenue. As at December 31, 2025, $17,579 in deferred revenue at Circle Medical has not met criteria related to the right to payment under IFRS 15, "Revenue from Contracts with Customers" (year ended December 31, 2024 – $53,949).

17. 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 24).

(in thousands of Canadian dollars)	**December 31, 2025**	December 31, 2024
Current	**31,170**	14,585
Non-current	**40,554**	16,354
	71,724	30,939

(in thousands of Canadian dollars)	Note	**Total**
Balance at December 31, 2024		**30,939**
Additions via business combinations and asset acquisitions	24	**50,255**
Accretion of discount		**3,404**
Settlement in cash		**(6,557)**
Settlement in common shares		**(11,285)**
Gain on settlement via shares		**(1,931)**
Loss on revaluation included in time-based earnout expenses		**6,981**
Exchange difference and other		**(82)**
Balance at December 31, 2025		**71,724**
Balance at December 31, 2023		37,071
Additions via business combinations and asset acquisitions	24	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 expenses		3,029
Exchange difference and other		(160)
Balance at December 31, 2024		30,939

(b) Other liabilities

(in thousands of Canadian dollars)	**December 31, 2025**	December 31, 2024
Current:		
Payroll liabilities and others	**27,156**	18,680
Time-based earnouts	**4,801**	6,040
Income tax payable	**5,408**	661
Working capital holdback	**5,010**	2,601
	42,375	27,982
Non-current:		
Others	**24,910**	2,292

he Company has entered into put option agreements with non-controlling shareholders, which provide the holders the right to require the Company to purchase their remaining equity interests at a future date. The redemption price is based on a multiple of earnings and other performance-based metrics. The Company has recognized a financial liability of $22,758 for these put options, measured based on the gross obligation for the potential future acquisition of these remaining equity interests. The gross obligation is determined using a discounted cash flow model incorporating significant unobservable inputs, including forecast financial performance, valuation multiples, and discount rates, and is classified as Level 3 within the fair value hierarchy. The ultimate settlement amount and timing of cash outflows are dependent on the future performance of the underlying businesses and may differ from the amounts recognized at the reporting date.

(c) Advances payable

(in thousands of Canadian dollars)	**December 31, 2025**	December 31, 2024
Balance, beginning of period	**165,441**	—
Advance payments received	**—**	157,170
Advance payment repaid	**(129,620)**	—
Exchange difference	**(5,641)**	8,271
Balance, end of period	**30,180**	165,441
Current	**30,180**	165,441
Non-current	**—**	—
Balance, end of period	**30,180**	165,441

The Company has received advance payments under a temporary funding assistance program to provide funding relief to CRH after its 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 were 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 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 year ended December 31, 2025, the Company repaid $129,620 of the advances from the billing service provider. The remaining advance payments of $30,180 have been recognized as advances payable on the Company's consolidated statements of financial position; the advance payments are subject to repayment beginning April 1, 2026, with repayment, in full, completed by December 31, 2026.

18. LOANS AND BORROWINGS, CONVERTIBLE DEBENTURES AND REDEEMABLE PREFERRED SHARES

(a) Syndicated credit facilities

(in thousands of Canadian dollars)	**December 31, 2025**	December 31, 2024
CRH syndicated credit facility with JPM:		
Revolving loan	**151,311**	124,670
Term loan	**68,112**	75,183
WHCC and MyHealth syndicated credit facility with RBC:		
Revolving loan	**118,200**	50,700
Term loan	**39,375**	41,875
HEALWELL syndicated credit facility with BNS:		
Revolving loan	**29,500**	—
Term loan	**19,250**	—
Other loans and borrowings	**1,570**	387
Less: Financing fees	**(1,876)**	(2,550)
Total Loans and Borrowings	**425,442**	290,265
Current portion	**6,427**	5,534
Non-current portion	**419,015**	284,731
Total Loans and Borrowings	**425,442**	290,265

(i) CRH syndicated credit facility with JPMorgan Chase Bank, N.A. ("JPM"):

The Company, through its wholly-owned subsidiaries, holds a syndicated credit facility with JPM as syndicate lead which provides up to US$175 million in borrowing capacity and access to an accordion feature that increases the amount of the credit available to the Company by US$125 million. Until March 26, 2023, interest on the facility was calculated with reference to Secured Overnight Financing Rate ("SOFR") plus 1.25% to 2.50%, dependent on the total leverage ratio of the consolidated results of CRH. On March 27, 2023, the Company amended the credit facility to (i) convert the existing US$175 million revolving credit facility into a term loan facility of US$55 million and a revolving credit facility of US$120 million, (ii) adjust applicable margin on interest obligations such that interest is calculated with reference to SOFR plus 1.50% to 2.75%, dependent on the total leverage ratio of the consolidated financial results of CRH, and (iii) to amend certain financial covenants and other terms. The new term loan has a US$688 quarterly repayment requirement with the first repayment paid on March 31, 2023 as well as additional potential repayment requirements based on excess cash flow, dependent on the total leverage ratio of the consolidated financial results of CRH.

On January 26, 2024, the Company refinanced its syndicated credit facility with JPM to include two new syndicate members and extend the term to January 26, 2027. Interest on the refinanced credit facility is calculated with reference to SOFR plus 1.75% to 3.00%, dependent on the total leverage ratio of the consolidated financial results of CRH. All other key terms of the previous credit facility remained materially unchanged. As of December 31, 2025, the Company had drawn $219,423 (US$160,093) under this facility (December 31, 2024 – $199,853 (US$138,893)).

(ii) WELL Health Clinics Canada Inc. (“WHCC”) and 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 million revolving facility, a $50 million term loan facility and access to an accordion feature that increases the amount of the credit available to the Company by $60 million. Interest on the facility was calculated with reference to Canadian Dollar Offered Rate (“CDOR”) plus 1.50% to 3.25%, dependent on the total funded debt to EBITDA ratio of the consolidated results of WHCC and MyHealth. The RBC facility is secured by the assets of WHCC and MyHealth and matures on July 15, 2026. Under the term loan facility, there is a $625 quarterly repayment requirement, with the first repayment paid on December 31, 2021. In March 2024, the Company completed an amendment to its syndicated credit facility to replace CDOR as the benchmark interest rate with the Canadian Overnight Repo Rate Average (“CORRA”). 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. As of December 31, 2025, the Company had drawn $157,575 under this facility (December 31, 2024 – $92,575).

Subsequent to year end, on January 29, 2026, the Company entered into a second amended and restated credit agreement ("ARCA") expanding its senior secured credit facility to provide up to $300 million in a revolving facility, $100 million term loan facility, and access to an accordion feature that increases the amount of the credit available to the Company by $100 million. The second ARCA was co-led by RBC, JPM, and Toronto-Dominion Bank and extended the maturity date to January 29, 2030. Under the term loan facility, there is a $1,250 quarterly repayment requirement, with the first repayment on March 31, 2026. All other key pricing terms of the previous credit facility remained materially unchanged.

(iii) 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 Orion Health’s leverage ratio, with rates 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.

(iv) Other loans and borrowings

HEALWELL's subsidiary, Pentavere Research Group Inc. ("Pentavere") has a loan payable from the Business Development Bank of Canada (“BDC”) bearing interest at the lender's floating base rate plus 4.4% per annum, payable in monthly interest-only installments, with principal being due in full on February 15, 2027. The loan is secured by a general security agreement over Pentavere’s assets, assignment of directors' life insurance policies and postponement of claims from related parties. Pentavere also has an interest-free loan payable from the Federal Economic Development Agency ("FEDDEV"), payable in monthly installments. The loan will be fully repaid by December 15, 2030. Furthermore, Pentavere has access to a line of credit from CIBC, that was undrawn as at December 31, 2025. Pentavere has a Debt-to-Equity covenant that is tested annually and a liquidity covenant that is tested quarterly with BDC. Pentavere was in compliance with both covenants on December 31, 2025.

(v) Financial covenants

The Company’s syndicated credit facilities with loans outstanding as of December 31, 2025 ($219,423 with JPM, $157,575 with RBC, and $48,750 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 December 31, 2025.

(vi) Minimum principal repayments:

Total minimum principal repayments under the syndicated credit facilities were as follows as at December 31, 2025:

(in thousands of Canadian dollars)	CRH (JPM)	WHCC and MyHealth (RBC)	HEALWELL (BNS)
2026	3,769	2,500	1,000
2027	215,654	155,075	1,000
2028	—	—	46,750
	219,423	**157,575**	**48,750**

(b) Convertible debentures and derivative liability

(in thousands of Canadian dollars)	Note	Convertible debentures	Derivative liability	Total
Balance as of December 31, 2024		**55,094**	**—**	**55,094**
Acquired via business acquisition	24	**21,050**	**7,491**	**28,541**
Interest accretion		**13,894**	**—**	**13,894**
Interest paid		**(6,100)**	**—**	**(6,100)**
Change in fair value of derivative liability		**—**	**(4,376)**	**(4,376)**
Conversion into subsidiary's shares		**(1,903)**	**—**	**(1,903)**
Balance as of December 31, 2025		**82,035**	**3,115**	**85,150**
Current		**80,400**	**3,115**	**83,515**
Non-current		**1,635**	**—**	**1,635**
		82,035	**3,115**	**85,150**
Balance as of December 31, 2023		49,421	—	49,421
Interest accretion		9,523	—	9,523
Interest paid		(3,850)	—	(3,850)
Balance as of December 31, 2024		55,094	—	55,094
Current		3,850	—	3,850
Non-current		51,244	—	51,244
		55,094	—	55,094

(i) Convertible Debentures

On November 25, 2021, the Company issued 70,000 units of unsecured convertible debentures at one thousand dollars per unit for gross proceeds of $70,000. The notes are convertible into common shares of the Company, at the option of the holder, at $9.23 per share, at any time prior to one business day preceding the maturity date of December 31, 2026. The convertible debentures bear interest at a rate of 5.5% per annum, from the date of issue, payable semi-annually in arrears in cash on June 30 and December 31 each year. The first interest payment included interest from closing date up to (but excluding) June 30, 2022. On and after December 31, 2024 and before December 31, 2025, the debentures were redeemable at par plus accrued and unpaid interest, in whole or in part, by the Company at the conversion price provided the volume weighted average trading price during the 20 consecutive trading days is not less than 130% of the conversion price of $9.23. On and after December 31, 2025 and before December 31, 2026, the debentures are redeemable at par plus accrued and unpaid interest, in whole or in part, by the Company at the conversion price of $9.23.

The gross proceeds of $70,000 were allocated $43,479 to the liability component of the convertible debentures and $26,521 to the equity component (conversion right feature). Financing costs incurred in connection with the issuance of convertible debentures totalled $3,890. Financing costs were allocated based on the relative values of the liability and equity components at initial recognition. The allocated costs were netted against each component. Interest on the net liability component is determined using the effective interest method (19.63% annualized) and accreted over the term of the debentures.

(ii) 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.

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.

Classification of Debenture

While the HEALWELL Debenture issued in January 2025 has a maturity date of December 31, 2029, it is convertible by the holder into HEALWELL Subordinating Voting Shares at any time after issuance. Because of this right by the holder to convert results in settlement by the transfer of the entity's own equity instruments at any time after issuance, the debenture and related derivative liability (and asset) is classified as current liabilities / assets on the consolidated statement of financial position.

(c) Redeemable preferred shares

The following table summarizes the outstanding redeemable preferred shares of the Company's subsidiary, WELLSTAR Technologies Corp. ("WELLSTAR"):

	Series A Redeemable Preferred Shares		Series B Redeemable Preferred Shares		Total
(in thousands of Canadian dollars)	Shares Issued	Amount	Shares Issued	Amount	Amount
Balance at January 1, 2024	—	—	—	—	—
Proceeds on issuance	50,377,500	50,378	—	—	50,378
Transaction costs	—	(2,733)	—	—	(2,733)
Interest expense	—	409	—	—	409
Balance at December 31, 2024	50,377,500	48,054	—	—	48,054
Proceeds on issuance	**—**	**—**	**41,352,598**	**62,029**	**62,029**
Transaction costs	**—**	**(1,898)**	**—**	**(3,712)**	**(5,610)**
Interest expense	**—**	**8,415**	**—**	**542**	**8,957**
Balance at December 31, 2025	**50,377,500**	**54,571**	**41,352,598**	**58,859**	**113,430**

Series A and Series B Redeemable Preferred Shares

On December 11, 2024, WELLSTAR issued 50,377,500 Series A Preferred Shares for gross proceeds of $50,378 (net proceeds of $47,645 after cash issuance costs) and 2,285,375 broker warrants with a term of two years entitling holders to acquire 2,285,375 Series A Preferred Shares at an exercise price of $1.00 per share. On December 5, 2025, WELLSTAR issued 41,352,598 Series B Preferred Shares for gross proceeds of $62,029 (net proceeds of $57,708 after cash issuance costs) and 1,770,000 broker warrants with a term of two years entitling holders to acquire 1,770,000 Series B Preferred Shares at an exercise price of $1.50 per share.

The Series A and Series B preferred shares (collectively, the "Preferred Shares") are redeemable at the option of the holders for a fixed return at any time after December 31, 2026. If a holder exercises the redemption option, WELL has a call right to purchase the Preferred Shares and the holder has a put right to require WELLSTAR 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 January 1, 2026 at an increasing rate over time. The dividends will accrue as notional preferred shares until the occurrence of a liquidity event, redemption or other liquidation event in accordance with the terms of the Preferred Shares.

The Preferred Shares have been classified as a liability in the consolidated statement of financial position due to the redemption feature at the option of the holders and other terms that result in the instrument meeting the definition of a financial liability and are subsequently being measured at amortized cost using the effective interest rate method.

Series A and Series B Preferred Shares Broker Warrant Liability

The broker warrants issued in connection with the Series A and Series B Preferred Shares have been classified as a financial liability on the consolidated statement of financial position consistent with the classification of the underlying Series A and Series B Preferred Shares and are being accounted for as issuance costs. The warrant liabilities for Series A and Series B have been initially recognized at $585 and $479, respectively, being fair value at issuance date and is subsequently being measured at fair value through profit and loss ("FVPL") at each reporting date and are recorded as other expenses. Fair value is estimated using the Black-Scholes option pricing model with inputs including share price, volatility, risk-free interest rate and time to maturity.

(in thousands of Canadian dollars)	Warrants	Amount
Balance at January 1, 2024	—	—
Fair value of warrants in connection with Series A Preferred Shares	2,285,375	585
Changes in fair value	—	—
Balance at December 31, 2024	2,285,375	585
Fair value of warrants in connection with Series B Preferred Shares	**1,770,000**	**479**
Changes in fair value	**—**	**(5)**
Balance at December 31, 2025	**4,055,375**	**1,059**

19. LEASES

(a) Lease liability

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

(in thousands of Canadian dollars)	**December 31, 2025**	December 31, 2024
Current	**22,795**	18,651
Non-current	**67,259**	61,079
Total lease liability	**90,054**	79,730

The Company leases various office and clinic spaces for its operations and subleases its excess office and clinic spaces to sub-tenants. The Company also leases computer related equipment and medical equipment. Rental contracts are typically made for fixed periods of 1.25 to 15 years but may have extension options ranging from 3 to 15 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

As at December 31, 2025, the Company had rental contracts for 177 properties (2024 – 131), with an average remaining life to expiry (including extension term) of 3.51 years (2024 – 5.30 years). As at December 31, 2025, the Company had 1 lease (2024 – 6) with an average term of 7.00 years (2024 – 4.20 years) for office and medical equipment, and with an average remaining life of 1.19 years to the end of lease (2024 – 1.77 years).

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

(in thousands of Canadian dollars)	Note	**Amounts**
Balance at December 31, 2024		**79,730**
Exchange difference		**(541)**
New leases		**6,866**
Acquisitions during 2025	24	**27,910**
Lease re-measurement		**(2,234)**
Terminations		**(199)**
Interest accretion	7	**4,177**
Lease cash payments		**(25,655)**
Balance at December 31, 2025		**90,054**
Balance at December 31, 2023		81,261
Exchange difference		230
New leases		10,636
Acquisitions during 2024	24	2,623
Lease re-measurement		743
Terminations		(654)
Interest accretion	7	3,672
Lease cash payments		(18,781)
Balance at December 31, 2024		79,730

During the year ended December 31, 2025, the Company recognized $20,665 (2024 - $16,328) of depreciation expense related to right-of-use assets – see Note 14 for further information.

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

(in thousands of Canadian dollars)	**Minimum lease payments**
Not later than one year	27,124
Later than one year and not later than five years	62,149
Beyond 5 years	14,160
	103,433

(b) Lease receivable

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

(in thousands of Canadian dollars)	**December 31, 2025**	December 31, 2024
Current	**744**	879
Non-current	**1,400**	1,400
Total lease receivable	**2,144**	2,279

Rental contracts for office subleases are typically made for fixed periods of 2 to 14 years but may have extension options ranging from 5 to 10 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. As at December 31, 2025, the Company had rental contracts for 10 properties (2024 – 13), with an average remaining life to expiry (including extension term) of 3.83 years (2024 – 3.19 years).

Interest income on lease receivable is recognized in the consolidated statements of income (loss) and lease payments received are recognized as financing activities in the consolidated statements of cash flows as follows:

(in thousands of Canadian dollars)	Note	**Amounts**
Balance at December 31, 2024		**2,279**
Acquisitions during 2025	24	**907**
Interest accretion	7	**129**
Lease payments received		**(1,171)**
Balance at December 31, 2025		**2,144**
Balance at December 31, 2023		2,959
Interest accretion	7	127
Lease payments received		(807)
Balance at December 31, 2024		2,279

As at December 31, 2025, the minimum rent payments expected to be received under lease receivables were as follows:

(in thousands of Canadian dollars)	**Minimum Rent Payment**
Year 1	672
Year 2	517
Year 3	265
Year 4	182
Year 5	88
Year 6 +	522
	2,246

20. INCOME TAXES

(a) Income tax expense (recovery) is comprised of the following:

	Years ended	
	December 31,	December 31,
(in thousands of Canadian dollars)	**2025**	2024
Current tax expense:		
Current period	**20,189**	7,814
Adjustment for prior periods	**71**	1,416
	20,260	9,230
Deferred tax recovery:		
Origination and reversal of temporary differences	**(22,798)**	(14,599)
Change in recognition of tax losses and deductible temporary differences	**3,384**	(15,094)
Change in tax rate	**—**	359
	(19,414)	(29,334)
Income tax expense (recovery)	**846**	(20,104)

(b) Income tax rate reconciliation

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

	Years ended	
	December 31,	December 31,
(in thousands of Canadian dollars)	**2025**	2024
Income before income tax	**5,308**	8,992
Canadian statutory income tax rate	**27%**	27%
Expected income tax expense on income before tax	**1,433**	2,428
Adjusted for the effects of:		
Change in valuation allowance	**6,802**	(5,067)
Share-based payments	**1,744**	971
Other items not includable or deductible for tax purposes	**5,785**	2,883
Foreign rate differences	**(385)**	(636)
Effects of tax rate changes	**837**	(532)
Change in fair value of investments	**(13,339)**	(13,754)
Adjustments for prior periods and other	**4,017**	(3,617)
Income attributable to non-controlling interests	**(6,048)**	(2,780)
Income tax expense (recovery)	**846**	(20,104)

(c) Recognized deferred tax assets (liabilities)

As at December 31, 2025, the Company had net recognized deferred tax (liabilities) assets related to its operations. The Company has recorded deferred income tax assets as it is probable that the benefits of these assets will be realized. Movement in the deferred tax balances is recorded in the consolidated statements of income and in business combinations as described in Note 24. The following table summarizes the Company's recognized deferred tax assets (liabilities) as at December 31, 2025 and 2024:

(in thousands of Canadian dollars)	**December 31, 2025**	December 31, 2024
Deferred tax assets:		
Non-capital loss carry forwards	**65,160**	46,888
Property and equipment	**1,659**	1,806
Accrued interest	**21,600**	22,363
Right-of-use assets, lease receivable, and lease liabilities	**1,135**	863
Contingent liability	**456**	—
Share-based payments	**2,661**	2,559
Other	**6,052**	856
Deferred tax liabilities:		
Intangible assets	**(94,084)**	(44,357)
Investments	**—**	(20,610)
Property and Equipment	**(73)**	—
Other	**(4,518)**	(502)
Net deferred tax assets (liabilities)	**48**	9,866

(d) Unrecognized deferred tax assets

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

(in thousands of Canadian dollars)	**December 31, 2025**	December 31, 2024
Non-capital loss carry forwards	**229,369**	21,309
Capital loss carry forwards	**6,024**	—
Property and equipment	**11,949**	5,948
Share and debt transaction costs	**6,579**	—
Right-of-use assets, lease receivable, and lease liabilities	**5,501**	2,790
Restricted Interest Expenses	**10,815**	—
Convertible debentures	**—**	14,026
Charitable donations	**168**	154
SR&ED Pool and Investment Tax Credits	**23,965**	—
Other	**2,075**	—
Unrecognized deferred tax assets	**296,445**	44,227

(e) Non-capital losses

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

(in thousands of Canadian dollars)	Canada	United States	New Zealand	Total
2033	121	—	—	121
2034	130	—	—	130
2035	229	—	—	229
2036	73	—	—	73
2037	2,316	—	—	2,316
2038	5,074	—	—	5,074
2039	9,042	—	—	9,042
2040	16,258	—	—	16,258
2041	32,671	—	—	32,671
2042	54,153	—	—	54,153
2043	41,986	—	—	41,986
2044	28,975	—	—	28,975
2045	41,557	—	—	41,557
Unlimited	—	18,054	219,738	237,792
Total	**232,585**	**18,054**	**219,738**	**470,377**

21. SHARE CAPITAL

(a) Authorized

Unlimited common shares without par value.

(b) Issued Common Shares

As at December 31, 2025, the issued share capital consisted of 253,985,679 (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 nine 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 approval from the TSX for a renewal of the NCIB that was set to expire on June 9, 2025. 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 December 31, 2025, 408,100 shares have been purchased under the 2025 NCIB. As of March 18, 2026, 558,600 shares have been purchased under the 2025 NCIB.

(d) Options to purchase common shares

(i) Movement in stock options

The changes in stock options during the years ended December 31, 2025 and 2024 were as follows:

	December 31, 2025		December 31, 2024	
	Number of options	**Weighted average exercise price $**	Number of options	Weighted average exercise price $
Balance outstanding, beginning of period	**365,500**	**2.89**	1,980,873	1.79
Options exercised	**(140,500)**	**2.46**	(1,615,373)	1.53
Balance outstanding, end of period	**225,000**	**3.16**	365,500	2.89

During the years ended December 31, 2025 and 2024, the Company recognized share-based payments expense of $582 and $639 respectively, relating to stock options in the audited annual consolidated statements of income.

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

The following table summarizes information relating to outstanding and exercisable stock options of the Company as at December 31, 2025:

Exercise price $	**Options outstanding**	**Options exercisable**	**Weighted average remaining contractual life (years)**
3.06	100,000	81,250	1.75
3.25	125,000	125,000	0.25
	225,000	**206,250**	**0.91**

The weighted average exercise price of options exercisable as at December 31, 2025 was $3.18 (December 31, 2024 - $2.87).

(e) Restricted Share Units (“RSUs”)

The changes in RSUs during the years ended December 31, 2025 and 2024 were as follows:

	December 31, 2025	December 31, 2024
	Number of RSUs	Number of RSUs
Balance outstanding, beginning of period	**3,370,902**	5,065,068
Units granted	**988,834**	1,595,437
Units vested and shares issued	**(1,740,304)**	(2,737,544)
Units forfeited	**(73,236)**	(552,059)
Balance outstanding, end of period	**2,546,196**	3,370,902

During the years ended December 31, 2025 and 2024, the Company recognized share-based payments expense of $5,770 and $8,906, respectively, relating to RSUs in the audited annual consolidated statements of income.

(f) Performance Share Units ("PSUs")

The changes in PSUs during the years ended December 31, 2025 and 2024 were as follows:

	December 31, 2025	December 31, 2024
	Number of PSUs	Number of PSUs
Balance outstanding, beginning of period	**2,460,449**	3,401,645
Units granted	**1,250,800**	801,828
Units vested and shares issued	**(1,230,559)**	(1,389,361)
Units forfeited	**(65,456)**	(353,663)
Balance outstanding, end of period	**2,415,234**	2,460,449

During the years ended December 31, 2025 and 2024, the Company recognized share-based payments expense of $5,363 and $5,725, respectively, relating to PSUs in the audited annual consolidated statements of income.

(g) Share-based awards of subsidiary, HEALWELL

See below the information regarding the Company's subsidiary, HEALWELL, as of December 31, 2025:

(i) Stock options

	December 31, 2025	
	Number of options	**Weighted average exercise price $**
Balance outstanding, April 1, 2025	**2,597,000**	**1.30**
Options granted	**100,000**	**1.42**
Options settled	**(6,250)**	**0.69**
Balance outstanding, end of period	**2,690,750**	**1.31**

(ii) DSUs, RSUs, and PSUs

HEALWELL grants DSUs to the members of the Board of Directors as part of their annual remuneration for the services rendered as directors on HEALWELL's Board and Committees and may also award one-time grants of DSUs to its directors in connection with major events, such as its going-public transaction in January 2021. The Company also grants RSUs to employees and contractors. The amount of the DSU or RSU award payable is based on the number of units outstanding multiplied by the share price of HEALWELL at the date of the payout. For equity settled DSUs and RSUs, the fair value of the award is recorded as an expense at the grant date. To date, all RSUs and DSUs that have been awarded by HEALWELL have been equity-settled.

HEALWELL also grants PSUs to key employees as part of their long-term incentive compensation. The fair value of the PSUs is recorded as an expense at the grant date based on assessing the performance criteria associated with the PSUs and adjusted quarterly depending on likely achievement of the performance criteria associated with the PSUs. To date, all PSUs that have been awarded by HEALWELL have been equity settled.

	December 31, 2025	
Net outstanding share-based payments by type	**No. of shares**	**Vested**
PSUs		
Grants in 2023	750,002	—
Grants in 2024	287,501	—
Grants in 2025	4,744,730	51,047
Total PSUs	5,782,233	51,047
RSUs		
Grants in 2023	971,667	565,556
Grants in 2024	1,626,016	861,065
Grants in 2025	5,174,783	601,462
Total RSUs	7,772,466	2,028,083
DSUs		
Grants in 2024	43,947	43,947
Total DSUs	43,947	43,947
Total Number of Shares	**13,598,646**	**2,123,077**

For the period April 1, 2025 to December 31, 2025, the Company recognized share-based payments of $9,627, relating to HEALWELL's share-based awards in the audited annual consolidated statements of income.

(h) Share-based awards of subsidiary, WELLSTAR

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

See below the information regarding the Company's subsidiary, WELLSTAR, as of December 31, 2025:

(i) RSUs

During the year ended December 31, 2025, WELLSTAR granted 2,200,776 RSUs to WELLSTAR employees and consultants and the weighted average grant date fair value of the RSUs was $1.00 per unit based on the market value of WELLSTAR's shares on the grant date. As of December 31, 2025, no RSU units have vested or forfeited.

During the years ended December 31, 2025 and 2024, the Company recognized share-based payments expense of $453 and $nil, respectively, relating to RSUs in the annual consolidated statements of income.

(ii) PSUs

During the year ended December 31, 2025, WELLSTAR granted 3,452,645 PSUs to WELLSTAR employees and consultants and the weighted average grant date fair value of the PSUs was $1.00 per unit based on the market value of WELLSTAR's shares on the grant date. As of December 31, 2025, no PSU units have vested or forfeited.

During the years ended December 31, 2025 and 2024, the Company recognized share-based payments expense of $896 and $nil, respectively, relating to PSUs in the annual consolidated statements of income.

22. 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 years ended December 31, 2025 and 2024 was as follows:

	Years ended	
	December 31,	December 31,
(in thousands of Canadian dollars)	**2025**	2024
Salaries	**1,490**	1,030
Directors' fees	**460**	240
Share-based payments	**3,149**	4,754
	5,099	6,024

During the year ended December 31, 2025, the Company granted 379,629 RSUs (141,806 to the CEO, 7,878 to the CFO, 9,359 to the COO and 220,586 to the members of the Board of Directors), and 288,054 PSUs (236,343 to the CEO, 23,634 to the CFO, and 28,077 to the COO). The Company's subsidiary, WELLSTAR granted 562,500 WELLSTAR RSUs and 332,500 WELLSTAR PSUs to the COO who also serves as the CEO of WELLSTAR. During the year ended December 31, 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 employee receivables in prepayments and other assets as at December 31, 2025 and December 31, 2024 is $12,371 ($7,232 from the CEO, $2,824 from the CFO, and $2,315 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 relate 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.

On December 11, 2024, as part of WELLSTAR's preferred share private placement (Note 18), WELLSTAR issued Series A Preferred Shares to certain members of key management personnel for gross proceeds of $1,545 ($400 from the CEO, $20 from the CFO, $1,000 from the COO, and $125 from the members of the Company's Board of Directors).

On December 5, 2025, as part of WELLSTAR's preferred share private placement (Note 18), WELLSTAR issued Series B Preferred Shares to certain members of key management personnel for gross proceeds of $1,361 ($255 from the CEO, $1,070 from the COO, and $36 from the members of the Company's Board of Directors).

(b) Related party balances and transactions with HEALWELL

As a result of the exercise of the call option, effective April 1, 2025, the Company controls and consolidates HEALWELL; any transactions and balances between the Company 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:

(in thousands of Canadian dollars)	**December 31, 2025**	December 31, 2024
Included in accounts and other receivables:		
Accounts receivable	—	167
Convertible promissory note receivable, including accrued interest	—	5,300
Other receivable	—	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. During the years ended December 31, 2025 and 2024, the Company recognized income of $423 and $1,377, respectively, as other income for providing transition services to HEALWELL in relation to the Intrahealth transaction.

See Note 12 and 13 for other transactions between the Company and HEALWELL.

On November 1, 2025, HEALWELL completed a series of strategic transactions with WELL and its subsidiaries, WELL Health Clinics Network Inc. ("WHCN") and WELLSTAR. The transactions included the sale of the Polyclinic Family Medicine and Specialty Clinics Group ("Polyclinic") to WHCN, the sale of the Company’s interest in Mutuo to WELLSTAR, and the creation of a clinical research joint venture with WELL, that includes Bio Pharma Services Inc. ("BioPharma") and Canadian Phase Onward Inc. ("CPO").

23. 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
1	Canadian Patient Services	
	– Primary WELL Health Medical Centres or WMC	Primary care and allied health clinic operations in Canada
	– Specialized MyHealth also known as WELL Health Diagnostic Centres or WDC	Specialty care and accredited diagnostic health services from WDC
2	WELL Health USA Patient and Provider Services	
	– Primary Circle Medical	US primary care telehealth operations from Circle Medical
	– Primary Wisp	US primary care operations from Wisp
	– Specialized CRH Medical	Specialized care gastroenterology anesthesia services
	– Specialized Provider Staffing	Medical recruitment and staffing services
3	SaaS and Technology Services	Provides digital health and infrastructure solutions for healthcare providers, including Electronic Medical Records (EMRs), patient engagement and eReferral solutions, AI-enabled applications, billing and practice management services, and cybersecurity protection and data privacy solutions.
4	HEALWELL	AI and data sciences and healthcare software offerings

Year ended December 31, 2025

(in thousands of Canadian dollars)	**Primary — WMC**	**Specialized — WDC**	**Total**	**Primary — Circle Medical**	**Primary — Wisp**	**Specialized — CRH Medical**	**Specialized — Provider Staffing**	**Total**	**SAAS and Technology Services**	**HEALWELL**	**Total — ALL segments**	**Corporate / Elimination**	**Consolidated total**
	<- Canadian Patient Services ->			**<- WELL Health USA Patient and Provider Services ->**									
Total segment revenue	**279,240**	**166,517**	**445,757**	**145,100**	**115,030**	**293,612**	**214,211**	**767,953**	**86,566**	**113,561**	**1,413,837**	**20,657**	**1,434,494**
Inter-segment revenue	**(926)**	**(580)**	**(1,506)**	**—**	**—**	**—**	**(4,421)**	**(4,421)**	**(9,379)**	**(622)**	**(15,928)**	**(18,387)**	**(34,315)**
Revenue from external customers	**278,314**	**165,937**	**444,251**	**145,100**	**115,030**	**293,612**	**209,790**	**763,532**	**77,187**	**112,939**	**1,397,909**	**2,270**	**1,400,179**
Cost of sales	**(194,894)**	**(64,870)**	**(259,764)**	**(49,765)**	**(32,538)**	**(171,707)**	**(188,563)**	**(442,573)**	**(15,565)**	**(54,171)**	**(772,073)**	**(9,262)**	**(781,335)**
Salaries and benefits	**(37,187)**	**(41,809)**	**(78,996)**	**(20,944)**	**(12,217)**	**(20,250)**	**(2,014)**	**(55,425)**	**(28,386)**	**(34,802)**	**(197,609)**	**(15,522)**	**(213,131)**
Marketing and promotion	**(1,298)**	**(865)**	**(2,163)**	**(15,249)**	**(62,802)**	**(1,068)**	**(232)**	**(79,351)**	**(596)**	**(9,207)**	**(91,317)**	**(1,194)**	**(92,511)**
Other G&A	**(29,918)**	**(15,327)**	**(45,245)**	**(11,959)**	**(6,197)**	**(12,947)**	**(3,354)**	**(34,457)**	**(9,706)**	**(9,084)**	**(98,492)**	**(11,028)**	**(109,520)**
Other expenses	**(263,297)**	**(122,871)**	**(386,168)**	**(97,917)**	**(113,754)**	**(205,972)**	**(194,163)**	**(611,806)**	**(54,253)**	**(107,264)**	**(1,159,491)**	**(37,006)**	**(1,196,497)**
Adjusted EBITDA	**15,017**	**43,066**	**58,083**	**47,183**	**1,276**	**87,640**	**15,627**	**151,726**	**22,934**	**5,675**	**238,418**		

Year ended December 31, 2024

(in thousands of Canadian dollars)	Primary — WMC	Specialized — WDC	Total	Primary — Circle Medical	Primary — Wisp	Specialized — CRH Medical	Specialized — Provider Staffing	Total	SAAS and Technology Services	HEALWELL	Total — ALL segments	Corporate / Elimination	Consolidated total
	<- Canadian Patient Services ->			<- WELL Health USA Patient and Provider Services ->									
Total segment revenue	191,885	127,557	319,442	76,304	100,967	234,722	123,133	535,126	72,871	—	927,439	15,903	943,342
Inter-segment revenue	(307)	—	(307)	—	—	(210)	(2,672)	(2,882)	(4,562)	—	(7,751)	(15,903)	(23,654)
Revenue from external customers	191,578	127,557	319,135	76,304	100,967	234,512	120,461	532,244	68,309	—	919,688	—	919,688
Cost of sales	(132,734)	(48,433)	(181,167)	(60,438)	(27,218)	(154,600)	(108,497)	(350,753)	(22,496)	—	(554,416)	(2,261)	(556,677)
Salaries and benefits	(27,360)	(36,052)	(63,412)	(20,259)	(11,097)	(19,336)	(1,402)	(52,094)	(22,883)	—	(138,389)	(10,453)	(148,842)
Marketing and promotion	(895)	(547)	(1,442)	(27,817)	(52,536)	(1,095)	(113)	(81,561)	(627)	—	(83,630)	(969)	(84,599)
Other G&A	(18,997)	(13,418)	(32,415)	(19,209)	(5,076)	(10,933)	(1,408)	(36,626)	(6,689)	—	(75,730)	(7,175)	(82,905)
Other expenses	(179,986)	(98,450)	(278,436)	(127,723)	(95,927)	(185,964)	(111,420)	(521,034)	(52,695)	—	(852,165)	(20,858)	(873,023)
Adjusted EBITDA	11,592	29,107	40,699	(51,419)	5,040	48,548	9,041	11,210	15,614	—	67,523		

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

	Years ended	
	December 31,	December 31,
(in thousands of Canadian dollars)	**2025**	2024
Adjusted EBITDA	**238,418**	67,523
Corporate expenses	**(34,736)**	(20,858)
Depreciation and amortization	**(93,762)**	(72,306)
Interest expense	**(57,878)**	(37,616)
Interest income	**1,715**	1,272
Rent expense on leases	**20,398**	16,512
Share-based payments	**(22,691)**	(15,270)
Foreign exchange (loss) gain	**(2,614)**	570
Time-based earnout expense	**(7,799)**	(7,458)
Change in fair value of investments	**(21,709)**	101,484
Change in fair value of derivative liability	**4,376**	—
Gain on disposal of assets and investments	**11,361**	11,817
Share of net loss of associates	**(2,750)**	(4,341)
Transaction, restructuring and integration expenses	**(20,326)**	(11,401)
Legal settlement and defense recovery (costs)	**4,911**	(20,183)
Impairment charge and other items	**(11,606)**	(753)
Net income before income tax	**5,308**	8,992

Geographic information

Revenue by geographic location of customers for the years ended December 31, 2025 and 2024 are summarized as follow:

Years ended										
	US		**Canada**		**Others**		**Canada (Corporate / Shared services)**		**Total**	
	December 31,		**December 31,**		**December 31,**		**December 31,**		**December 31,**	
(in thousands of Canadian dollars)	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
Total Segment Revenue	**782,641**	535,126	**593,720**	392,313	**37,476**	—	**20,657**	15,903	**1,434,494**	943,342
Inter-segment revenue	**(4,421)**	(2,882)	**(11,507)**	(4,869)	**—**	—	**(18,387)**	(15,903)	**(34,315)**	(23,654)
Revenue from external customers	**778,220**	532,244	**582,213**	387,444	**37,476**	—	**2,270**	—	**1,400,179**	919,688

Non-current assets other than financial instruments and deferred tax assets by location are summarized as at December 31, 2025 and December 31, 2024:

	December 31,	December 31,
(in thousands of Canadian dollars)	**2025**	2024
Non-current assets other than financial instruments and deferred tax assets		
US	**644,249**	635,571
Canada	**891,818**	603,857
Other	**126,440**	—
Canada (Corporate / Shared services)	**15,436**	21,668
Total	**1,677,943**	1,261,096

24. BUSINESS COMBINATIONS, ASSET ACQUISITIONS AND DISPOSALS

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

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 acquisition cost.

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

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

(a) 2025 Acquisitions and disposals:

(i) During the year ended December 31, 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 Provider Staffing
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
Davisville Family Practice ("Davisville")	March 1, 2025	Business	100%	Canada	Canadian Patient Services – Primary
Kennedy Medical Center ("KMC")	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
Meadowlands Family Practice (“Meadowlands”)	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
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
Kensington Medical Clinic Inc. (“Kensington”)	July 1, 2025	Business	100%	Canada	Canadian Patient Services – Primary
Preventum Health Management Ltd. (“Preventum”)	July 1, 2025	Business	100%	Canada	Canadian Patient Services – Primary
MyCardia Clinic (“MyCardia”)	August 1, 2025	Business	100%	Canada	Canadian Patient Services – Primary
ReGen Scientific Inc. (“ReGen”)	August 1, 2025	Business	100%	Canada	Canadian Patient Services – Primary
Halton Family Health Centre Inc. (“Halton”)	September 1, 2025	Business	100%	Canada	Canadian Patient Services – Primary
Greater Ocala Anesthesia Associates, LLC (“GOAA”)	September 1, 2025	Asset	51%	US	WELL Health USA Patient and Provider Services – Specialized CRH
2311598 Ontario Corp. dba Dr. Langer's Family Medicine and Walk-In Clinic ("Langer")	October 1, 2025	Business	100%	Canada	Canadian Patient Services – Primary
CorCare Inc. ("CorCare")	November 17, 2025	Business	75%	Canada	Canadian Patient Services – Specialized WDC
Port Perry Imaging ("PPI")	November 17, 2025	Business	100%	Canada	Canadian Patient Services – Specialized WDC
2739448 Alberta Corp. ("Satori Clinics")	December 1, 2025	Business	100%	Canada	Canadian Patient Services – Primary
The Cleator Clinic ("Cleator")	December 1, 2025	Business	100%	Canada	Canadian Patient Services – Primary
Mitchell Medical Clinic ("Mitchell")	December 1, 2025	Business	100%	Canada	Canadian Patient Services – Primary
PatientServ Corp. ("PatientSERV")	December 1, 2025	Business	100%	Canada	SaaS and Technology Service
Greater Charlotte Sedation Associates, LLC ("GCSA")	December 1, 2025	Asset	51%	US	WELL Health USA Patient and Provider Services – Specialized CRH

The following tables summarize the fair value of the purchase consideration and the estimated fair values of assets and liabilities acquired at the acquisition dates for business combinations and asset acquisitions that occurred during the year ended December 31, 2025. 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.

<u>Canadian Patient Services</u>

WELL Health Medical Centres

(in thousands of Canadian dollars)	Note	**Healthpoint /Northpoint Final**	**Patient Networks Final**	**Kensington Prov**	**Preventum Final**	**Halton Prov**	**ReGen Prov**	**Others ***	**Total**
Cash paid at closing		5,797	2,071	5,369	11,068	4,629	3,650	4,049	**36,633**
Indemnity holdback		649	300	—	—	—	—	253	**1,202**
Working capital holdback		226	—	506	2,024	315	300	248	**3,619**
Deferred acquisition cost	**17**	1,816	1,630	865	—	1,833	1,460	2,031	**9,635**
Purchase consideration		8,488	4,001	6,740	13,092	6,777	5,410	6,581	**51,089**
Assets and liabilities acquired									—
Cash		1	29	101	592	—	49	559	**1,331**
Accounts receivable and other current assets		302	266	194	644	—	107	650	**2,164**
Other current assets		198	2	6	12	—	60	106	**383**
Property and Equipment		181	—	—	143	—	2,761	208	**3,293**
Right-of-use asset		689	159	493	264	2,449	3,931	7,159	**15,144**
Accounts payable		(18)	(142)	(255)	(146)	—	(325)	(1,322)	**(2,206)**
Other current liabilities		—	(33)	—	(44)	—	—	—	**(77)**
Lease liabilities		(689)	(159)	(493)	(264)	(2,449)	(3,931)	(7,159)	**(15,144)**
Deferred Revenue		—	—	—	(2,467)	—	(622)	—	**(3,089)**
Goodwill		7,823	3,878	6,694	14,358	6,777	3,380	6,380	**49,290**
		8,487	4,000	6,740	13,092	6,777	5,410	6,581	51,089

*Mitchel, Cleator, Satori, Langer, Meadowlands, MyCardia, Bison

Canadian Patient Services

WELL Health Diagnostics Centres

(in thousands of Canadian dollars)	Note	CCI PROV	Others *	Total
Cash paid at closing		7,235	2,782	**10,017**
Indemnity holdback		—	—	**—**
Working capital holdback		1,420	263	**1,683**
Deferred acquisition cost	**17**	6,063	1,147	**7,210**
Put options issued		4,957	—	**4,957**
Acquisition-related transaction cost		—	—	**—**
Purchase consideration		19,675	4,192	**23,867**
Assets and liabilities acquired				
Cash		283	129	**412**
Accounts receivable and other current assets		305	297	**602**
Other current assets		186	12	**198**
Property and Equipment		607	296	**903**
Right-of-use asset		1,704	—	**1,704**
Accounts payable		(140)	(8)	**(148)**
Lease liabilities		(1,704)	—	**(1,704)**
Deferred tax liability		(349)	(596)	**(945)**
Non-controlling interest		(810)	—	**(810)**
Licenses		2,000	2,250	**4,250**
Goodwill		17,593	1,812	**19,405**
		19,675	4,192	**23,867**

*K2, PPI

WELL Health USA Patient and Provider Services

		NGAA	GCSA	Harmony	Others *	Total
(in thousands of Canadian dollars)	Note	**FINAL**	**FINAL**	**FINAL**		
Cash paid at closing		5,713	5,209	31,702	1,298	**43,922**
Deferred acquisition cost	**17**	—	—	1,423	226	**1,649**
Put options issued		—	—	12,021	—	**12,021**
Acquisition-related transaction cost		97	501	—	130	**728**
Purchase consideration		5,810	5,710	45,146	1,654	**58,320**
Assets and liabilities acquired						
Cash		—	—	1,013	—	**1,013**
Accounts receivable and other current assets		—	—	8,803	—	**8,803**
Accounts payable		—		(605)	—	**(604)**
Deferred Revenue		—	—	(549)	—	**(549)**
Non-controlling interest		(5,583)	(5,668)	(11,726)	(1,590)	**(24,567)**
Exclusive professional services agreement ("PSA")		11,393	11,378	16,004	3,243	**42,019**
Brand		—	—	8,795	—	**8,795**
Goodwill		—	—	23,410	—	**23,410**
		5,810	5,710	45,146	1,654	**58,320**
PSA Amortization Period		15 years	15 years	15 years	15 years	

*GOAA, MBAA

SaaS and Technology Services

(in thousands of Canadian dollars)	Note	PatientServ PROV	Total
Cash paid at closing		963	**963**
Working capital holdback		900	**900**
Deferred acquisition cost	**17**	3,422	**3,422**
Purchase consideration		5,285	**5,285**
Assets and liabilities acquired			
Cash		151	**151**
Accounts receivable and other current assets		26	**27**
Other current assets		9	**8**
Property and Equipment		59	**59**
Accounts payable		(1,217)	**(1,217)**
Other current liabilities		(643)	**(643)**
Deferred tax liability		(1,063)	**(1,063)**
Customer relationship		3,937	**3,937**
Goodwill		4,026	**4,026**
		5,285	**5,285**

Acquisition of Canadian and USA Patient Services and SaaS Technology

During the year ended December 31, 2025, the Company completed multiple acquisitions of primary care clinics and healthcare service businesses as part of its strategy to expand its national footprint and vertically integrate its healthcare platform. These acquisitions were accounted for as business combinations in accordance with IFRS 3.

The total consideration for acquisitions completed during the year consisted $91,535 in Cash Consideration, $50,876 of Deferred Acquisition Costs and $7,404 of Others. Deferred and contingent consideration payable are generally tied to the ongoing performance of the acquired clinics.The fair value of contingent consideration was estimated using probability-weighted cash flow projections and discounted using appropriate risk-adjusted rates. Goodwill of $96,131 recognized is primarily attributable to expected synergies from integrating acquired clinics into the Company’s platform, expansion of the Company’s patient base and provider network and future growth opportunities and operational efficiencies.

The Company’s consolidated statement of income for the year ended 31 December 2025 includes revenue of $127,000 and net income of $12,106 from the acquired business from their respective acquisition dates to December 31, 2025. The Company is in the process of finalizing the valuation of certain intangible assets and liabilities related to recent acquisitions. Measurement period adjustments may be recorded in future periods, not exceeding one year from the acquisition date.

The Company has not disclosed pro forma revenue and net income for the year ended December 31, 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.

Acquisition of control and consolidation of HEALWELL

On April 1, 2025, the Company completed the step acquisition of HEALWELL (Note 13). 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 Company was later advised that the acquisition of such controlling interest in HEALWELL was subject to review by the Canadian Competition Bureau.

As part of the step acquisition of control, the Company remeasured its previously 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 consisted 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 $157,726 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.

(in thousands of Canadian dollars)	Note	**Amounts**
Purchase consideration		**142,918**
Assets and liabilities acquired		
Cash		32,829
Accounts receivables and other current assets		26,340
Contract assets		17,962
Other current assets		8,820
Lease receivable		907
Property and equipment		1,334
Right-of-use asset		7,744
Accounts payable		(19,814)
Other current liabilities		(23,306)
Contract liabilities		(23,100)
Deferred acquisition costs		(28,339)
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		(24,192)
Non-controlling interest		(98,158)
Customer relationships	15	110,994
Brand	15	19,299
Technology	15	61,832
Goodwill	15	157,726
		142,918

Revenue of $113,561 and total comprehensive loss of $35,361 for HEALWELL is included in the Company's audited annual consolidated financial statements for the year ended December 31, 2025, from the date of acquisition.

If the acquisitions had occurred on January 1, 2025, the pro forma revenue for the year ended December 31, 2025 would have been $127,649 and total comprehensive loss of $49,266.

On July 14, 2025, HEALWELL exercised its call option and acquired the remaining 49% of the issued and outstanding shares of Pentavere from the non-controlling shareholders for total consideration of $14,937. The purchase price was settled through the issuance of 10,161,562 HEALWELL Subordinate Voting Shares at the closing share price of $1.47 per share on July 14, 2025. As a result of this transaction, Pentavere became a wholly-owned subsidiary of HEALWELL and the call option was derecognized (fair value of $nil at September 30, 2025; December 31, 2024 – $nil). The transaction was accounted for as an equity transaction, as it represented an increase in ownership interest in an entity that the Company controls. Accordingly, the non-controlling interest and call option were derecognized, and the difference between the fair value of the shares issued and the carrying value of the non-controlling interest was recognized directly to deficit.

(ii) 2025 disposals

On September 30, 2025, the Company sold and lost control of its 51% interest in Lake Washington Anesthesia Associates, LLC (“LWA”).

The Company received $15,337 (US$11,087) in total consideration (US$10,464 in cash and US$623 escrow receivable) for its 51% interest in the LWA business. Disposal costs of US$170 were incurred in relation to this transaction and are included in the net gain on disposal. The overall gain on disposal of this transaction was $11,174 (US$8,078).

(b) 2024 Acquisitions and Disposals:

(i) 2024 Acquisitions

During the year ended December 31, 2024, the Company acquired interests in the following companies:

Company name	Date of Acquisition	Business/asset acquisition	% Ownership	Place of incorporation	Line of business
Wilson Centre Family Practice ("Wilson")	May 1, 2024	Business	100%	Canada	Canadian Patient Services – Primary
The Health Clinic by Shoppers ("Shoppers"	June 1, 2024	Business	100%	Canada	Canadian Patient Services – Primary
Medical Associates of Meadowvale	June 1, 2024	Business	100%	Canada	Canadian Patient Services – Primary
0741405 B.C. Ltd. , 0783808 B.C. Ltd. , and 0899864 B.C. Ltd., ("Pacific Medical")	September 1, 2024	Business	100%	Canada	Canadian Patient Services – Primary
S.J. Stemplowski Psychotherapy Professional Corporation	September 1, 2024	Business	100%	Canada	Canadian Patient Services – Primary
Ninja Professional Corporation, C-Health Partners Inc. ("CHealth")	October 1, 2024	Business	51%	Canada	Canadian Patient Services – Specialized WDC
North Denver Anesthesia Associates, LLC ("NDAA")	November 1, 2024	Asset	100%	US	WELL Health USA Patient and Provider Services – Specialized CRH
Microquest Inc. ("MQS")	December 1, 2024	Business	100%	Canada	SaaS and Technology Services
Physicians for You Recruitments Ltd. ("PFY")	December 1, 2024	Business	51%	Canada	Canadian Patient Services – Primary
HealthPark Medical Clinics Inc. ("HMC")	December 1, 2024	Business	100%	Canada	Canadian Patient Services – Primary
Jack Nathan Medical Clinics ("JNM")	December 1, 2024	Business	100%	Canada	Canadian Patient Services – Primary
BlueBird IT Solutions Inc. ("BBS")	December 1, 2024	Business	51%	Canada	SaaS and Technology Services
19th & Lonsdale Medical Corporations ("Lonsdale)"	December 1, 2024	Business	100%	Canada	Canadian Patient Services – Primary

During the year ended December 31, 2024, 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:

(in thousands of Canadian dollars)	Note	NDAA Final	BBS Prov.	Adj.	Final	MQS Prov.	Adj.	Final	JNM Final	Other* Prov.	Adj.	Final	Total
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	17	—	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")	12	20,185	—	—	—	—	—	—	—	—	—	—	20,185
Technology	12	—	—	—	—	2,993	—	2,993	—	—	—	—	2,993
Customer relationship	12	—	3,409	—	3,409	5,614	—	5,614	—	—	—	—	9,023
Goodwill	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.

25. 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 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. During the year ended December 31, 2025, the Company reached an agreement to settle an insurance claim in relation to this matter and recognized an insurance recovery of $2,134 as other income in the consolidated statement of income for the year ended December 31, 2025, and as other receivables on the consolidated statement of financial position as of December 31, 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 has cooperated fully with the RFI, and has implemented enhanced compliance controls as appropriate. Circle Medical has reached a settlement in principle to resolve the voluntary Request for Information from the United States Department of Justice, the California Department of Insurance, and the San Francisco District Attorney's office (collectively the "Agencies"). The specific terms of the settlement agreement are under negotiation and will be subject to final approval by the respective Agencies and Circle Medical's Board of Directors. For the year ended December 31, 2024, the Company recognized an expense of $4,072 (US$2.8 million) in Other Expenses for estimated settlement costs, and $511 (US$0.4 million) in general and administrative expenses for associated legal fees. For the year ended December 31, 2025, the Company incurred $885 (US$0.6 million) in general and administrative expenses for legal fees and recognized an additional $678 (US$0.5 million) in settlement costs, for total estimated settlement costs of $4,750 (US$3.3 million) 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. 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. During the year ended December 31, 2025, in April 2025, the Company reached an agreement to settle an insurance claim in relation to this matter and recognized an insurance recovery of $4,561 as other income in the consolidated statement of income.

26. FINANCIAL INSTRUMENTS

(a) Classification of financial instruments

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

(in thousands of Canadian dollars)	**December 31, 2025**	December 31, 2024
Financial assets at amortized cost		
Cash	**133,755**	131,669
Accounts and other receivables	**170,944**	184,505
Other current and non-current assets	**52,408**	32,193
	357,107	348,367
Financial assets at fair value through profit or loss ("FVPL")		
Equity and debt investments and call option and warrant agreement (Note 12).	**16,071**	158,476
Financial liabilities at amortized cost		
Accounts payable and accrued liabilities	**91,597**	86,583
Loans and borrowings	**425,442**	290,265
Convertible debentures	**82,035**	55,094
Redeemable preferred shares	**113,430**	48,054
Lease liability	**90,054**	79,730
Advances payable	**30,180**	165,441
Other current and non-current liabilities	**66,226**	30,274
	898,964	755,441
Financial liabilities at fair value through profit or loss ("FVPL")		
Deferred acquisition costs, derivative liability, and broker warrants liability	**75,898**	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 years ended December 31, 2025 and 2024.

Financial instruments carried at amortized cost:

The carrying values of cash, 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 18), 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 $218,872 for the JPM facility, $157,575 for the RBC facility, and $48,750 for the BNS facility as at December 31, 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, including the equity component, was $69,825 as of December 31, 2025 (December 31, 2024 - $71,750), based on the Level 1 quoted market price of the convertible debentures on that date.

WELLSTAR's Series A and Series B preferred shares are classified as financial liabilities as they contain contractual redemption features that are not within the WELLSTAR's control. The preferred shares are measured at amortized cost.

The fair value of the Series A preferred shares was estimated to be $56,976 as of December 31, 2025 (December 31, 2024 - $50,378) using a probability-weighted expected return method, which considers multiple potential future scenarios, including conversion and redemption outcomes. Under each scenario, the expected cash flows to the preferred shareholders were estimated and discounted to present value, and the resulting values were weighted based on management's assessment of the probability of occurrence of each scenario. The valuation incorporates significant unobservable inputs and assumptions, including expected timing of liquidity events, discount rates, and scenario probabilities.

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

Financial instruments carried at fair value:

The Company's investments in Phelix, Twig, Tali.ai, Cherry Health, ORX, Graphium, Global Zebra, WaiveTheWait, Mutuo warrants and call option, Longevity AI, and X.AI are classified as financial assets at FVPL and are categorized within Level 3 of the fair value hierarchy. The fair value measurements of debt investments are categorized within Level 2 of the fair value hierarchy whereas investments in convertible debt, equity and equity derivative instruments are categorized within Level 3 of the fair value hierarchy. The fair values of debt instruments are based on discounted cash flow analyses using directly observable market inputs. The fair values of equity investments in unquoted private entities are based on the fair value implied by the Company's recent acquisition transaction or on follow-on financing rounds, as applicable. The fair values of convertible debt, warrants and call options are estimated using complex mathematical models or option pricing models that incorporate directly observable market inputs (including share prices, interest rates and credit spreads), unobservable inputs (expected share price volatilities and expected terms) and iterative equations, as applicable. As at December 31, 2025 and December 31, 2024, the fair value of investments classified as financial assets at FVPL was $16,071 and $158,476, respectively (Note 12).

The fair values of Mutuo warrants and call options as at December 31, 2025, the fair value of financial assets at FVPL was $3,683 (December 31, 2024 - nil).

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

The broker warrants issued in connection with the Series A and Series B Preferred Shares have been classified as a financial liability on the consolidated statement of financial position consistent with the classification of the underlying Series A and Series B Preferred Shares. The fair values of the warrant liabilities relating to Series A and Series B Preferred Shares are estimated to be $585 and $479, respectively, as of December 31, 2025. Fair value is estimated using the Black-Scholes option pricing model with inputs including share price, volatility, risk-free interest rate and time to maturity. The changes in fair values of the warrant liabilities relating to Series A and Series B Preferred Shares from date of issuance to December 31, 2025 were nominal.

The Company's derivative financial instruments, including an interest rate swap and foreign currency forward contracts, are classified as financial assets or liabilities at FVPL. The fair value measurements are categorized within Level 2 of the fair value hierarchy. The fair value of interest rate swaps is determined by discounting expected future cash flows from the contracts. The future cash flows are determined by measuring the difference between fixed interest payments to be made to the counterparty and floating interest payments to be received based on forward interest rate curves. The fair value of foreign currency forward contracts and swaps is measured using observable inputs based on the difference between contracted foreign exchange rates and quoted forward exchange rates as of the reporting date.

The derivative liability component of the 2025 Debentures on initial recognition was measured, 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 and the derivative liability at fair value through profit or loss. As at December 31, 2025, the fair value of the derivative liability was $3,115.

There were no interest rate swaps or foreign currency forward contracts outstanding as at December 31, 2025 and 2024.

There were no transfers of assets or liabilities as at December 31, 2025 and 2024 between any levels within the fair value hierarchy.

(c) Financial risk management

Credit risk

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

No single customer accounts for more than 10% of the Company's consolidated revenue. The Company establishes an estimate for expected credit losses on its accounts receivable. Collectability is reviewed regularly and an estimate of expected credit losses is established or adjusted, as necessary, using historic collection patterns and other relevant information. Estimates are subject to change as they are impacted by the nature of collectability, which may involve delays and the current uncertainty in the economy.

The Company's exposure to credit risk is considered to be low, given the size and nature of the various counterparties involved and their history of performance. The Company's revenue from clinic operations is from billings for insured services paid for by the provincial health authorities. The Company recognizes anesthesia service revenues, net of contractual adjustments and implicit price concessions, which are estimated based on the historical trend of cash collections and contractual adjustments. As a result, anesthesia related receivables reflect the amount the Company expects to receive from patients and third-party insurers at the reporting period end and credit risk is expected to be limited as receivables are recognized based upon historical collection patterns.

As at December 31, 2025, the Company had accounts and other receivables of $170,944 (December 31, 2024 - $184,505), net of expected credit losses of $6,330 (December 31, 2024 - $4,239) (Note 10).

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

(in thousands of Canadian dollars)	**December 31, 2025**	December 31, 2024
Not past due	**88,654**	59,618
Past due 1 - 30 days	**10,355**	20,914
Past due 31 - 90 days	**13,368**	17,541
Past due 90+ days	**57,710**	73,942
Trade accounts receivable	**170,087**	172,015
Other accounts receivable	**7,187**	16,729
Total gross accounts receivable	**177,274**	188,744

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

(in thousands of Canadian dollars)	**Amounts**
Balance at December 31, 2024	**4,239**
Amounts written off and other	**(373)**
Net remeasurement of loss allowance	**2,588**
Foreign exchange translation	**(124)**
Balance at December 31, 2025	**6,330**
Balance at December 31, 2023	3,000
Amounts written off and other	(5,603)
Net remeasurement of loss allowance	6,611
Foreign exchange translation	231
Balance at December 31, 2024	4,239

Liquidity risk

Liquidity risk references the Company's ability to meet its financial obligations as they fall due and remain solvent. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. To date, the Company has relied on equity, convertible debentures, and bank borrowings to fund its operations and/or acquisitions and will need to continue to secure additional funding for operations and planned growth and development activities. The Company routinely reviews the terms and conditions of its financing arrangements with a view to managing or extending maturities and/or negotiating more favourable terms and conditions. The Company believes that its principal sources of liquidity are sufficient to fund its operations on an ongoing basis.

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

(in thousands of Canadian dollars)		***Undiscounted payments due by period***			
At December 31, 2025	**Total**	Less than 1 year	1-3 years	4-5 years	More than 5 years
Deferred acquisition costs and time-based earnouts	**102,324**	34,428	43,457	8,019	16,420
Lease obligations' minimum payments	**103,433**	27,124	40,796	21,353	14,160
Accounts payable and accrued liabilities	**91,597**	91,597	—	—	—
Working capital holdbacks	**5,010**	5,010	—	—	—
Advances payable	**30,180**	30,180	—	—	—
Other current and non-current liabilities	**67,781**	32,564	19,189	16,028	—
Loans and borrowings	**425,748**	7,269	418,479	—	—
Redeemable preferred shares	**139,345**	—	139,345	—	—
Convertible debentures	**115,850**	76,850	6,000	33,000	—
	1,081,268	**305,022**	**667,266**	**78,400**	**30,580**

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 December 31, 2025, the Company had a remaining commitment of $17,214 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. As of December 31, 2025, the Company had a remaining commitment of $45,228 under this agreement.

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 18). 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.

On October 23, 2024, the Company terminated the remaining interest rate swap contracts outstanding. Since the hedged item remained more probable than not of occurring, the realized loss of $573 initially recognized in other comprehensive income as of the termination date is being subsequently reclassified into interest expense on a straight-line basis over the remaining term of the hedging relationship to February 28, 2026. On a cumulative basis since inception, the Company realized a net gain of $131 on the interest rate swap agreement, including the realized loss incurred on early termination.

With all other variables held constant, a 10% upward movement in the interest rate would have reduced net income by approximately $2,400 and $1,725 for the years ended December 31, 2025 and 2024. There would be an equal and opposite impact on net loss with a 10% downward movement in the interest rate.

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 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).

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 December 31, 2025 and 2024.

The Company's exposure to foreign currency risk at the reporting date was as follows (all amounts are denominated in CAD):

(in thousands of Canadian dollars)	**NZD CAD**	**AUD CAD**	**GBP CAD**	**USD CAD**	**EUR CAD**	**AED CAD**
As at December 31, 2025						
Cash	1,008	720	1,773	26,490	855	68
Trade receivables	3,754	69	1,296	100,652	294	—
Trade payables	(537)	(252)	(97)	(40,705)	(294)	(9)
Advances payable	—	—	—	(30,180)	—	—
Loans and borrowings	—	—	—	(218,129)	—	—
Net exposure	**4,225**	**537**	**2,972**	**(161,872)**	**855**	**59**

The following table summarizes the sensitivity of profit and loss and equity with regards to the Company's financial assets and financial liabilities affected by foreign currency/CAD exchange rate with all other aspects being equal. A positive number below indicates an increase in profit and equity where CAD strengthens 10% against the relevant currency for the year ended December 31, 2025. For a 10% weakening of CAD against the relevant currency for the year ended December 31, 2025, there would be a comparable impact of the profit and equity in the opposite direction.

(in thousands of Canadian dollars)	**NZD CAD**	**AUD CAD**	**GBP CAD**	**USD CAD**	**EUR CAD**	**AED CAD**
As at December 31, 2025						
Equity	(384)	(49)	(270)	14,716	(78)	(5)

27. CASH FLOW INFORMATION

	Years ended	
(in thousands of Canadian dollars)	**December 31, 2025**	December 31, 2024
Change in non-cash operating items:		
Accounts and other receivables	**47,110**	(80,254)
Contract assets	**193**	—
Inventory	**231**	(1,511)
Prepayments and other current assets	**(14,766)**	(4,434)
Other non-current assets	**2,397**	848
Accounts payable and accrued liabilities	**(20,120)**	36,417
Deferred revenue	**(38,798)**	52,504
Contract liabilities	**(467)**	—
Other non-current liabilities	**(12,853)**	(1,285)
Other current liabilities	**371**	4,387
	(36,702)	6,672

	Years ended	
(in thousands of Canadian dollars)	**December 31, 2025**	December 31, 2024
Loss on equity and debt investments in associates and others:		
Equity investment in HEALWELL	**(5,375)**	—
Equity investment in Longevity AI	**(1,432)**	—
Investment in Global Zebra	**(350)**	—
Investment in WaiveTheWait	**(280)**	—
Investment in doctorly	**—**	(73)
	(7,437)	(73)

For the year ended December 31, 2025, $185,408 of the purchase consideration of business and assets acquisitions included the following non-cash consideration, fair values of shares previously acquired ($139,064), fair value of put option liability recognized ($16,978) and deferred acquisition costs and working capital holdback ($29,366) to be paid over time. For the year ended December 31, 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 year ended December 31, 2025, $11,285 of the deferred acquisition costs were financed by the issuance of WELL's shares (December 31, 2024 - $6,899); and the additions of right-of-use assets in the amount of $4,433 (December 31, 2024 - $11,379) were financed through lease liabilities.

28. EVENTS AFTER THE REPORTING PERIOD

On February 1, 2026, WELL completed the acquisition of a leading technology-enabled e-consult platform in Alberta, together with eight primary care Satori Clinics acquired in 2025. The acquisition of the eight primary care clinics closed on December 1, 2025, while the E-Consult platform transaction closed on February 1, 2026. E-consults are secure digital consultations that allow primary care providers to obtain specialist guidance electronically, helping reduce wait times, avoid unnecessary referrals and diagnostics, and improve patient care coordination. Total estimated consideration for the acquisition includes cash consideration of $33,200, subject to working capital adjustments, and performance-based earnouts. The purchase price allocation for E-consult is ongoing.