Management's Discussion and Analysis

March 25, 2026 / This Management's Discussion and Analysis of the Financial Position and Results of Operations ("MD&A") is the responsibility of management and has been reviewed and approved by the Board of Directors. This MD&A has been prepared in accordance with the requirements of the Canadian Securities Administrators.

Throughout this document, NeuPath Health Inc. is referred to as "NeuPath", "we", "our" or "the Company". This MD&A provides information management believes is relevant to an assessment and understanding of the consolidated results of operations, cash flows and financial condition of the Company. The following information should be read in conjunction with the Consolidated Financial Statements and the notes thereto for the year ended December 31, 2025. NeuPath's accounting policies are in accordance with IFRS Accounting Standards ("IFRS").

Unless otherwise noted, all dollar amounts in this MD&A are expressed in thousands of Canadian dollars except per share, unit and warrant figures.

The Company uses non-IFRS financial measures in this MD&A. For a detailed reconciliation of the non-IFRS measures used in this MD&A, please see the discussion under "*Non-IFRS Financial Measures*".

Materiality of Disclosures

This MD&A includes information we believe is material to investors. We consider something to be material if it results in, or would reasonably be expected to result in, a significant change in the market price or value of our shares, or if it is likely that a reasonable investor would consider the information important in making an investment decision.

Forward-looking Statements

Certain statements in this MD&A are forward-looking statements which may include, but are not limited to, statements with respect to the future financial or operating performance of NeuPath and its projects, the market conditions, business strategy, corporate plans, objectives and goals, and the timing and possible outcome of regulatory matters. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of NeuPath to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, but are not limited to, the factors discussed in the section entitled "Risk Factors" in this MD&A and in the section entitled "Risk Factors" in the Company's Annual Information Form for the year ended December 31, 2025 dated March 25, 2026 ("AIF"). Although NeuPath has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this MD&A and, other than as required by law, NeuPath disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

This MD&A also includes market data and forecasts with respect to the chronic pain, musculoskeletal/back pain, sports medicine and other pain medical services markets. Although the Company is responsible for all of the disclosure contained in this MD&A, in some cases, the Company relies on and refers to market data and certain industry forecasts that were obtained from third-party surveys, market research, consultant surveys, publicly available information and industry publications and surveys that it believes to be reliable. Unless otherwise indicated, all market and industry data and other statistical information and forecasts contained in this MD&A are based on independent industry publications, reports by market research firms or other published independent sources and other externally obtained data that the Company believes to be reliable. Any such market data,

information or forecast may prove to be inaccurate because of the method by which it was obtained or because it cannot always be verified with complete certainty given the limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties, including those discussed in the AIF under the heading “Risk Factors”. As a result, although the Company believes that these sources are reliable, it has not independently verified the information.

Non-IFRS Financial Measures

This MD&A makes reference to certain financial measures, including non-IFRS financial measures that are historical and non-GAAP or non-GAAP ratios. Management uses these financial measures for purposes of comparison to prior periods and development of future projections and earnings growth prospects. This information is also used by management to measure the profitability of ongoing operations and in analyzing business performance and trends. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and, are therefore, unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of the Company’s results of operations from management’s perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of financial information reported under IFRS. The Company uses the following non-GAAP financial measures: EBITDA, Adjusted EBITDA, gross margin and income or loss from operations, and the following non-GAAP ratio: gross margin %, to provide supplemental measures of operating performance and thus highlight trends in the core business that may not otherwise be apparent when relying solely on IFRS financial measures. Management also uses non-IFRS financial measures in order to prepare annual operating budgets and to determine management compensation. Below is an explanation of the composition of each such measure, as applicable, including a quantitative reconciliation of EBITDA and Adjusted EBITDA to its most directly comparable financial measure disclosed in our financial statements to which the measure relates. See *Selected Financial Information* and *Results of Operations* for a quantitative reconciliation of gross margin and income or loss from operations to its most directly comparable financial measure disclosed in the Consolidated Financial Statements for the year ended December 31, 2025 to which the measure relates.

EBITDA and Adjusted EBITDA

EBITDA refers to net income (loss) determined in accordance with IFRS, before depreciation and amortization, net interest expense (income) and income tax expense (recovery). The Company defines Adjusted EBITDA, as EBITDA, excluding stock-based compensation expense, executive long-term performance and retention bonus, restructuring costs, gain on derecognition of other obligations, fair value adjustments, transaction and other costs, impairment charges, gain on sale of building, finance income and loss or gain on sale of property, plant and equipment. Management believes EBITDA and Adjusted EBITDA are useful supplemental non-GAAP measures to determine the Company’s ability to generate cash available for operations, working capital, capital expenditures, debt repayments, interest expense and income taxes.

The following table provides a reconciliation of net and comprehensive loss to EBITDA and Adjusted EBITDA:

	Three months ended December 31		Year ended December 31	
	2025	2024	**2025**	2024
	$	$	**$**	$
Net and comprehensive loss	**(334)**	(180)	**(413)**	(485)
Add back:				
Depreciation and amortization	**563**	588	**2,291**	2,297
Interest cost	**204**	224	**895**	945
Income tax expense (recovery)	**(44)**	37	**356**	212
EBITDA	**389**	669	**3,129**	2,969
Add back:				
Stock-based compensation	**63**	21	**226**	102
Transaction and other costs	**181**	41	**1,198**	570
Executive long-term performance and retention bonus	**350**	-	**1,400**	-
Restructuring	**-**	147	**-**	147
Loss on sale of property, plant and equipment	**-**	20	**-**	20
Adjusted EBITDA	**983**	898	**5,953**	3,808
Attributed to:				
Shareholders of NeuPath Health Inc.	**865**	812	**5,464**	3,484
Non-controlling interest	**118**	86	**489**	324
	983	898	**5,953**	3,808

Gross Margin and Gross Margin %
Management believes gross margin and gross margin % are important supplemental non-GAAP measures for evaluating operating performance and to allow for operating performance comparability from period-to-period. Gross margin is calculated as total revenue minus cost of medical services (”COMS”). Gross margin % is calculated as gross margin divided by total revenue.

Income (Loss) From Operations
Management believes income (loss) from operations is an important supplemental non-GAAP measure for evaluating operating performance and to allow for operating performance comparability from period-to-period. Income (loss) from operations is calculated as total revenue, minus COMS, general and administrative (“G&A”) expenses, occupancy costs, depreciation and amortization and restructuring costs.

Overview

NeuPath operates one of Canada’s largest networks of community-based, multidisciplinary medical facilities focused on the assessment and treatment of chronic pain, musculoskeletal/back pain, sports medicine and other pain medical services markets. NeuPath provides improved access to care and outcomes for patients by leveraging best-in-class treatments and delivering patient-centered multidisciplinary care. Working within Canada’s publicly funded healthcare system, NeuPath delivers insured medical services to help extend the appropriate care from hospitals into the community, which are complemented by select non-insured procedures to provide a comprehensive and coordinated treatment for patients.

With operations across Ontario and Alberta, the Company addresses a significant and growing need, as an estimated 1 in 5 adults in Canada[(1)] live with chronic pain. NeuPath’s scalable platform and diversified service mix, positions the Company for continued geographic expansion while increasing access to community-based care. NeuPath’s healthcare providers cover a broad range of specialties and include: Physiatrists, Neurologists, Anesthesiologists, Orthopedic Surgeons, and General Practitioners with specialized training in chronic pain, as well as Athletic Therapists, Psychotherapists, Dietitians, Nurses and other allied health practitioners.

(1) Best Brains Exchange Report: Treatment of chronic pain and complex concurrent mental health and substance use conditions: Retrieved from https://www.canada.ca/en/health-canada/services/publications/healthy-living/best-brains-exchange-report-2023.html.

In addition, NeuPath provides independent medical evaluations ("IMEs") to employers, law firms and disability insurers through a national network of healthcare providers. IMEs are objective third-party evaluations conducted by impartial healthcare professionals to assess an individual's diagnosis, prognosis, and treatment needs.

NeuPath's non-clinic operations include its staffing business that provides physicians to federal and provincial correctional facilities and its research business that provides clinical trial infrastructure and support services to pharmaceutical companies, physicians and contract research organizations to support clinical research.

NeuPath generates revenue by providing both insured and uninsured services to patients. Insured services include treatments or procedures covered by provincial health plans and third-party health insurance plans. In most cases, the insurer is billed directly by NeuPath. Uninsured services include independent medical assessments and treatments, and procedures that are not covered by provincial health plans or third-party health insurance plans and are billed directly to patients.

NeuPath has 10 medical facilities across Ontario and 2 medical facilities in Alberta staffed with more than 148 healthcare providers. In addition, the Company has a minority equity ownership in two physiotherapy and sport medicine clinics in Alberta.

Chronic Pain
Chronic pain impacts approximately 1 in 5 adults in Canada[(2)]. Chronic pain impacts people's ability to attend work, school and participate in family and community life. Despite chronic pain's prevalence and impact, it has only recently started to attract increased attention. In May 2019, the World Health Organization, for the first time, added chronic pain to its International Classification of Diseases. The International Classification of Diseases is used worldwide as a diagnostic tool to classify causes of injury or death and the addition of chronic pain will allow for better tracking of the impact and prevalence of chronic pain. In March 2019, Health Canada formed the Canadian Pain Task Force ("Task Force") to provide advice regarding evidence and best practices for the prevention and management of chronic pain. The Task Force concluded its mandate at the end of 2021 and during the three-year period presented their findings to Health Canada. Subsequently, Health Canada established a dedicated team to pursue engagement with pain stakeholders and coordinate the federal response to the Task Force recommendations[(3)].

Significant Transactions

Normal Course Issuer Bid
On December 4, 2025, the Company announced the approval by the TSX Venture Exchange (the "Exchange") for the renewal of its normal course issuer bid ("NCIB") to purchase up to a maximum of 2,527,224 common shares for cancellation starting December 4, 2025 and ending December 3, 2026 or such earlier date as the Company completes its purchases pursuant to the NCIB or provides notice of termination. Under the previous NCIB, which commenced on November 27, 2024 and ended on November 26, 2025, the Company repurchased and cancelled 1,052,300 common shares at a weighted average price of approximately $0.24 per share. Since inception of NCIB, the Company repurchased and cancelled 1,072,300 common shares under the NCIB at a weighted average price of $0.24 per share as at December 31, 2025.

National Bank Debt Financing
On March 26, 2025, the Company entered into a new credit agreement (the "Credit Agreement") with the National Bank of Canada ("NBC") providing an aggregate of up to $13.5 million in loans, comprised of a (i) $4.0 million revolving credit facility (the "Revolving Facility"), (ii) $3.0 million non-revolving delayed draw term loan facility (the "Acquisition Line"), and (iii) $6.5 million non-revolving term loan facility (the "Term Loan" and together with the Revolving Facility and the Acquisition Line, the "Credit Facilities"). The Company utilized proceeds from the Term Loan to repay the existing credit facilities, Debentures and related party loans. The Credit Facilities provide NeuPath with additional capital to execute on its growth plan, while also helping the Company refinance its existing debt. The Credit Agreement replaced the Company's existing credit facilities.

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(2) Best Brains Exchange Report: Treatment of chronic pain and complex concurrent mental health and substance use conditions: Retrieved from https://www.canada.ca/en/health-canada/services/publications/healthy-living/best-brains-exchange-report-2023.html.

(3) Government of Canada. Retrieved from: https://www.canada.ca/en/health-canada/corporate/about-health-canada/public-engagement/external-advisory-bodies/canadian-pain-task-force.html.

Arthrosamid® Available at NeuPath Medical Facilities
On March 6, 2025, the Company announced it had performed the first-ever injection of Arthrosamid in North America at its Mississauga, Ontario medical facility. Arthrosamid (2.5% iPAAG) is a unique non-biodegradable hydrogel injection developed by Contura International A/S, a biotechnology company based in Denmark. Unlike traditional osteoarthritis injections, Arthrosamid integrates into the synovial tissue of the knee, helping to cushion the joint and reduce pain with a single dose. It has been shown to provide up to four years of pain relief for knee osteoarthritis sufferers[(4)]. Arthrosamid is currently available at a majority of NeuPath's medical facilities in Ontario and Alberta. As of December 31, 2025, the Company had treated over 200 joints.

Canada Revenue Agency Resolution
On February 21, 2025, the Company received updated Notices of Reassessment from the Canadian Revenue Agency ("CRA") in response to a Notice of Objection the Company filed with the CRA in August 2023. The matter pertained to the CRA HST audit decision with claims amounting to approximately $0.2 million for the 2015 and 2016 filing periods. In December 2024, the Company received a positive response from the CRA confirming the objection was allowed. During March 2025, the Company received a total refund amount of approximately $0.2 million, including interest.

Acquisition of London Spine Centre
On January 12, 2024, the Company completed the acquisition of the assets of SIBI Medical Inc., operating as the London Spine Centre in London, Ontario. The London Spine Centre had an interdisciplinary group of healthcare providers that use evidence-based care to help treat back, neck and other spinal conditions. Under the terms of the agreement, the Company acquired the assets of the London Spine Centre. The purchase price of $0.2 million was paid from the Company's existing cash on hand, and no additional contingent consideration was paid or payable in accordance with pre-established performance criteria for the acquired clinic. Effective October 27, 2024, the Company terminated its facility lease agreement for the clinic space, by transferring its rights and obligations under the facility lease agreement back to the landlord. The Company incurred nominal costs related to this transfer for the year ended December 31, 2024. This acquisition is in furtherance of the Company's continued effort to expand its presence and its roster of specialists in the region.

Private Placement Debenture Offering
On May 2, 2023, the Company announced the closing of its brokered private placement debenture offering of 10% subordinated and postponed unsecured non-convertible debenture units (the "Debenture Units") of the Company for gross proceeds of $1.5 million (the "Debenture Offering").

Each Debenture Unit is comprised of: (i) $1,000 principal amount of subordinated and postponed unsecured non-convertible debentures of the Company (the "Debentures"); (ii) for no additional consideration, such number of common shares in the capital of the Company (each whole common share, a "Bonus Share", and collectively, the "Bonus Shares") as is equal to 10% of the principal amount of the Debentures purchased divided by $0.09, being the closing market price of the common shares of the Company on the Exchange on April 10, 2023, totalling 1,614,444 Bonus Shares; and (iii) 836,111 Private Placement Broker Warrants ("Broker Warrants") of the Company exercisable for one common share of the Company at an exercise price equal to $0.15 per common share until May 2, 2025.

The Debentures had a maturity date of May 2, 2025 and bore interest at a rate of 10% per annum payable quarterly in arrears in cash. The Company was entitled to redeem the Debentures at any time prior to May 2, 2025, in part or in full, subject to an early repayment premium that varied based on the redemption date.

On March 26, 2025, the Company repaid all outstanding Debentures using partial proceeds from the NBC Credit Facilities, including an early repayment penalty and all accrued and unpaid interest, to the TSX Trust Company to hold in trust until paid to Debenture holders on April 25, 2025. Upon repayment of the Debentures on the redemption date, all Debentures redeemed were cancelled.

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(4) Bliddal, H., et al. (2024) A Prospective Study of Polyacrylamide Hydrogel Injection for Knee Osteoarthritis: Results From 4 Years After Treatment. Presented at EORS 2024, Aalborg and Orthopaedic Proceedings of the Bone & Joint Journal.

Growth Strategy

NeuPath's growth strategy is focused on increasing the amount of available physician hours to treat patients, building new locations in new markets and expanding service offerings to patients. Over the past few years, the majority of NeuPath's growth has been organic. In the future, the Company plans on a balanced approach to growth that will include the following growth drivers:

Organic Growth – The Company is focused on growing revenues through treating more patients and offering new services. This is achieved by focusing on the following areas:

- Growing the amount of physician hours available to treat patients:
  - *Recruiting new physicians* – NeuPath works with several recruitment firms, as well as referrals from its existing physicians to find new physicians and other medical professionals to add to the team from within Canada, the United States and overseas. The Company has the physical capacity to add new physicians at most of its existing medical facilities in order to increase the Company's ability to treat more patients.
  - *Utilizing technology* – NeuPath is utilizing technology, such as artificial intelligence ("AI") medical scribes to save our physicians time by reducing the work involved in clinical documentation and administrative tasks. This frees up valuable physician hours to have more meaningful interactions with patients and to serve more patients.
  - *Improving medical facility efficiencies* – NeuPath is focused on physician schedule utilization, best practices and treatment room scheduling to create a more efficient patient flow at our medical facilities. This will increase the number of patients our physicians can treat. We continually look at new technology and best in class medical treatment practices to help streamline processes and improve efficiencies.

- Building new locations in new markets
  - NeuPath intends to establish new medical facilities in underserved markets where we can improve access to care for patients.

- Expanding our services offerings:
  - The Company added Arthrosamid as a treatment option in 2025 and is currently available at the majority of our medical facilities. NeuPath will continue to look for new services to expand our offerings to meet the needs of our patients.

Inorganic Growth – NeuPath intends to acquire new locations across Canada focused on expanding into new provinces and new markets in provinces where we are established.

- Acquiring existing medical facilities – NeuPath intends to acquire established clinics in an effort to enter into new markets; add new specialists to the medical professional roster; and/or add new service offering for patients. NeuPath's value add when acquiring new medical facilities is turn-key administrative support functions in order for medical professionals to focus on patient care while NeuPath manages technology, billing, patient scheduling, finance, medical supply management, human resources, etc.

- Expanding into adjacent medical services – NeuPath evaluates opportunities in adjacent markets that could complement our service offerings. An example is diagnostic imaging as most of our patients need imaging done as part of the new patient intake process. The Company also looks at other specialized areas that patients would benefit from if it was part of a community-care model.

Capacity Utilization

Historically, the Company has reported capacity utilization based on the percentage of available physician shifts that are staffed and the percentage of available appointment slots that are filled. Over the years, capacity utilization has improved significantly, but this does not provide a realistic indicator of growth constraints. It is more representative of physician utilization, which is the Company's ability to fill available appointments in physician schedules. The Company has optimized physician utilization and is using AI medical scribes and other technology to continue to improve physician utilization. Capacity utilization (under the historical reporting metrics) was 82% for the year ended December 31, 2025 compared to 75% for the year ended December 31, 2024.

Utilization of Physical Capacity
The Company believes that the utilization of physical capacity is a better tool to measure certain aspects of the Company's performance. The Company's physical capacity utilization calculation measures the Company's ability to utilize the available patient treatment appointments assuming all medical facilities operate at a standard 40 hours per week. Going forward, the Company will report on this new metric on a quarterly basis. The baseline for this metric, calculated for the year ended December 31, 2025 was 51% compared to 48% for the year ended December 31, 2024 and 52% for the three months ended December 31, 2025 compared to 47% for the three months ended December 31, 2024. This is calculated by comparing total patient visits into available patient appointments.

To improve physical capacity utilization, we need to recruit more physicians and other medical professionals to add more available doctor hours to treat patients and in markets where we have available doctor hours, we need to expand our referral network to increase patient volumes. Please refer to the Growth Strategy section of this MD&A for a discussion on the Company's initiatives to improve this metric.

Physical capacity itself is an important metric to be managed. As physical capacity approaches its limits, we have the ability to expand our operating hours to open on evenings or weekends and we have done this at select medical facilities. When we have historically approached physical capacity limits, we have renovated existing medical facilities to add new treatment rooms or expanded into adjacent rental units, as we did in two locations in 2025.

The Company has demonstrated its ability to increase and reduce physical capacity as needed. The Company continually assesses its real estate footprint and has returned excess space back to landlords and has expanded its footprint when needed. We can also expand capacity by building or acquiring new medical facilities in new markets.

Overall, the Company does not view physical capacity as a constraint on the business, but rather as a tool to determine the following:

- The medical facilities, which require expansion or additional evening or weekend hours.
- Where to focus our physician recruiting efforts to utilize available capacity.
- Where to focus our marketing efforts to expand our referral network to increase patient volumes.

Selected Financial Information

	Year ended December 31, 2025	Year ended December 31, 2024	Year ended December 31, 2023
	$	$	$
Operations			
Clinic revenue	**81,763**	67,295	60,988
Non-clinic revenue	**5,430**	5,511	5,114
Total revenue	**87,193**	72,806	66,102
Cost of medical services	**70,600**	58,948	53,805
Gross margin[1]	**16,593**	13,858	12,297
General and administrative	**10,484**	8,293	7,466
Occupancy costs	**1,782**	1,859	1,786
Depreciation and amortization	**2,291**	2,297	2,603
Restructuring	**-**	147	-
Income from operations[(1)]	**2,036**	1,262	442
Interest cost	**895**	945	928
Transaction and other costs	**1,198**	570	226
Loss (gain) on sale of property, plant and equipment	**-**	20	(758)
Finance income	**-**	-	(9)
Income (loss) before income taxes	**(57)**	(273)	55
Income tax expense	**356**	212	246
Net and comprehensive loss	**(413)**	(485)	(191)
Attributed to:			
Shareholders of NeuPath Health Inc.	**(717)**	(728)	(107)
Non-controlling interest	**304**	243	(84)
	(413)	(485)	(191)
Adjusted EBITDA[1]	**5,953**	3,808	3,188
Net loss per common share			
- basic	**(0.01)**	(0.01)	-
- diluted	**(0.01)**	(0.01)	-
Weighted average number of common shares outstanding (in thousands)			
- basic	**56,362**	56,349	55,119
- diluted	**58,818**	57,442	55,479

Financial Position *(As at December 31)*	**$**	$	$
Cash and cash equivalents	**4,472**	2,923	3,177
Total assets	**45,090**	41,302	41,781
Total liabilities	**24,139**	19,870	19,942
Total equity	**20,951**	21,432	21,839

[(1)] Gross margin, income from operations and Adjusted EBITDA are non-IFRS measures. Please refer to *Non-IFRS Financial Measures* above.

Results of Operations

	Year ended December 31, 2025	Year ended December 31, 2024
	$	$
Clinic revenue	**81,763**	67,295
Non-clinic revenue	**5,430**	5,511
Total revenue	**87,193**	72,806
Cost of medical services	**70,600**	58,948
Gross margin[(1)]	**16,593**	13,858
Gross margin %[(1)]	**19.0%**	19.0%

[(1)] Gross margin and gross margin % are non-IFRS measures. Please refer to *Non-IFRS Financial Measures* above.

Total Revenue

Total revenue is comprised of clinic revenue and non-clinic revenue. Total revenue was $87.2 million for the year ended December 31, 2025 compared to $72.8 million for the year ended December 31, 2024.

Clinic Revenue

Clinic revenue is generated through the provision of medical services to patients. Clinic revenue was $81.8 million for the year ended December 31, 2025 compared to $67.3 million for the year ended December 31, 2024. The increase in clinic revenue for the year ended December 31, 2025 was primarily due to increased patient visits, the launch of Arthrosamid in the first quarter at a single medical facility and is currently offered at a majority of the Company's medical facilities, growth from fluoroscopy revenues, positive adjustments to physician reimbursement rates including a material one-time payment related to prior period physician reimbursements in the second quarter, and an improvement in capacity utilization through continued optimization of the space in the Company's medical facilities.

Non-clinic Revenue

Non-clinic revenue was $5.4 million for the year ended December 31, 2025 compared to $5.5 million for the year ended December 31, 2024. Non-clinic revenue is earned from physician staffing allocation services where the Company provides physicians for provincial and federal correctional institutions across Canada, and from contract research services provided to pharmaceutical companies and clinical research organizations. This revenue fluctuates depending on the need for physicians in certain institutions and the timing and enrolment of clinical studies that the Company is working on.

Significant Customers

Under IFRS 8, *Operating Segments* ("IFRS 8"), major customers are those that account for greater than 10% of the Company's consolidated revenues. The Company has two major customers that accounted for 88% of the Company's total revenue for the year ended December 31, 2025 [two major customers represented 86% of the Company's total revenue for the year ended December 31, 2024]. The Company's credit risk is low as its major customers are government organizations.

Operating Expenses

	Year ended December 31, 2025	Year ended December 31, 2024
	$	$
Cost of medical services	**70,600**	58,948
General and administrative	**10,484**	8,293
Occupancy costs	**1,782**	1,859
Depreciation and amortization	**2,291**	2,297
Restructuring	**-**	147
Total operating expenses	**85,157**	71,544

Total operating expenses were $85.2 million for the year ended December 31, 2025 compared to $71.5 million for the year ended December 31, 2024.

Cost of Medical Services
COMS was $70.6 million for the year ended December 31, 2025 compared to $58.9 million for the year ended December 31, 2024. For the current year, the increase in COMS was primarily attributable to increased revenue compared to the comparative year. COMS as a percentage of total revenue was 81% for the years ended December 31, 2025 and 2024.

Gross margin % was 19.0% for the years ended December 31, 2025 and 2024 (see *Non-IFRS Financial Measures - Gross Margin and Gross Margin %)*.

General and Administrative
G&A expenses were $10.5 million for the year ended December 31, 2025 compared to $8.3 million for the year ended December 31, 2024. The increase in G&A expenses was due to higher salaries and benefits, marketing expenses and professional and consulting fees, partially offset by lower IT and communication expenses. The increase in salaries and benefits includes $1.4 million related to the achievement of a one-time executive long-term performance and retention bonus, which was approved by the Board in 2023 and was payable upon the achievement of certain performance metrics in 2025.

Occupancy Costs
Occupancy costs were $1.8 million for the year ended December 31, 2025 compared to $1.9 million for the year ended December 31, 2024. Occupancy costs represent the costs related to leased medical facilities. The decrease in occupancy costs for the current year was primarily driven by rent-free periods for lease renewals, along with the termination of leased space associated with the London Spine Centre in October 2024. As at December 31, 2025, the Company leased 12 medical facilities.

Depreciation and Amortization
Depreciation and amortization expenses were $2.3 million for the years ended December 31, 2025 and 2024. Depreciation and amortization expenses relate to amortization of intangible assets, depreciation of right-of-use assets and amortization of property, plant & equipment, and remained consistent compared to the prior year.

Restructuring
Restructuring expenses were $nil for the year ended December 31, 2025 compared to $0.1 million for the year ended December 31, 2024. Restructuring expenses for the prior year related to severance and other termination benefits for the Company's corporate office workforce.

Income from Operations
Income from operations was $2.0 million for the year ended December 31, 2025 compared to $1.3 million for the year ended December 31, 2024. The increase in income from operations in the current year was primarily due to an increase in revenue and gross margin, partially offset by higher G&A expenses.

Other Expenses

	Year ended December 31, 2025	Year ended December 31, 2024
	$	$
Interest cost	**895**	945
Transaction and other costs	**1,198**	570
Loss on sale of property, plant and equipment	**-**	20
Total other expenses	**2,093**	1,535

Interest Cost
Interest costs were $0.9 million for the years ended December 31, 2025 and 2024. Interest costs relate to the outstanding debt and interest charges due to accretion of interest on loans and leases.

Transaction and Other Costs
Transaction and other costs were $1.2 million for the year ended December 31, 2025 compared to $0.6 million for the year ended December 31, 2024. Transaction and other costs relate to one-time transactional expenses and potential acquisition due diligence costs for medical facilities that the Company is evaluating. Transaction and other costs for the year ended December 31, 2025 primarily relate to the closing of the NBC Debt Financing on March 26, 2025 and other one-time transactional costs including the settlement of two outstanding legal matters.

Loss on Sale of Property, Plant and Equipment
Loss on sale of property, plant and equipment was $nil for the year ended December 31, 2025 compared to $20 for the year ended December 31, 2024. During the year ended December 31, 2024, the loss on sale related to the disposal of medical equipment.

Net and Comprehensive Loss

	Year ended December 31, 2025	Year ended December 31, 2024
	$	$
Net loss before income taxes	**(57)**	(273)
Income tax expense	**356**	212
Net and comprehensive loss	**(413)**	(485)

Income Tax Expense
Income tax expense was $0.4 million for the year ended December 31, 2025 compared to $0.2 million for the year ended December 31, 2024. The Company's income tax expense relates to current income taxes generated from its joint-venture partnership and one of its wholly owned subsidiaries. The Company has available tax losses within its consolidated operations and is in the process of simplifying its tax structure.

Net and Comprehensive Loss
Net and comprehensive loss was $0.4 million for the year ended December 31, 2025 compared to $0.5 million for the year ended December 31, 2024. The change in net and comprehensive loss for the current year was primarily due to improved income from operations, partially offset by higher transaction and other costs and income tax expense.

Segments
IFRS 8 requires operating segments to be determined based on internal reports that are regularly reviewed by the chief operating decision makers for the purpose of allocating resources to the segment and assessing its performance. The Company has one operating segment: medical services.

Liquidity and Capital Resources

	Year ended December 31, 2025	Year ended December 31, 2024
	$	$
Net and comprehensive loss	**(413)**	(485)
Items not involving current cash flows	**3,116**	3,132
Cash provided by operations	**2,703**	2,647
Net change in non-cash working capital	**1,300**	(40)
Cash provided by operating activities	**4,003**	2,607
Cash used in investing activities	**(863)**	(1,107)
Cash used in financing activities	**(1,591)**	(1,754)
Net change in cash and cash equivalents during the year	**1,549**	(254)
Cash and cash equivalents, beginning of year	**2,923**	3,177
Cash and cash equivalents, end of year	**4,472**	2,923

Cash and Cash Equivalents
As at December 31, 2025, cash and cash equivalents were $4.5 million compared to $2.9 million as at December 31, 2024.

Operating Activities
Cash provided by operating activities was $4.0 million for the year ended December 31, 2025 compared to $2.6 million for the year ended December 31, 2024. For the year ended December 31, 2025, the $1.4 million increase in cash provided by operating activities was primarily related to a $1.3 million increase in net change in non-cash working capital largely resulting from an increase in accounts payable and accrued liabilities, partially offset by an increase in accounts receivable.

Investing Activities
Cash used in investing activities was $0.9 million for the year ended December 31, 2025 compared to $1.1 million for the year ended December 31, 2024. Cash used in investing activities for the current year primarily related to leasehold improvements and the acquisition of computer software and equipment for medical facilities. Cash used in investing activities for the comparative year primarily related to the acquisition of the London Spine Centre, leasehold improvements and the acquisition of equipment for medical facilities.

Financing Activities
Cash used in financing activities was $1.6 million for the year ended December 31, 2025 compared to $1.8 million for the year ended December 31, 2024. The decrease in cash used in financing activities was primarily driven by the Company closing a new credit agreement with NBC, whereby the Company received funds from the Term Loan facility in the amount of $6.5 million, partially offset by the repayment of long-term debt from the Company's existing credit facilities of $0.8 million, Debentures of $1.5 million and related party loans of $3.7 million.

Working Capital
The Company defines working capital as current assets, less accounts payable and accrued liabilities, provisions and current income tax liabilities. The Company anticipates that its current working capital and the revenue it expects to generate from its continuing operations will be sufficient to satisfy its current debt obligations and working capital requirements for the next 12 months. The Company's ability to satisfy its non-current debt obligations will depend principally upon its future operating performance.

Capital Structure
The Company's strategy includes organic growth through improved capacity utilization, opening new medical facilities and growth through strategic acquisitions. To execute this strategy, the Company may need to access additional resources under existing loan arrangements or seek alternate sources of financing, including equity issuances.

The Company expects to continue to be able to meet all obligations as they become due using some or all of the following sources of liquidity: cash flow generated from operations, existing cash and cash equivalents on hand, and additional borrowing capacity under the revolving demand facilities. In addition, subject to market conditions, the Company may raise additional funding through equity financing. The Company believes that its capital structure will provide financial flexibility to pursue future growth strategies. However, the Company's ability to fund operating expenses and debt service requirements will depend on, among other things, future operating performance, which will be affected by general economic, industry, financial and other factors beyond the Company's control (see *Risk Factors* below*)*.

Selected Quarterly Information

The following is selected quarterly financial information for the Company over the last eight quarterly reporting periods:

	Total 2025	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Total 2024	Q4 2024	Q3 2024	Q2 2024	Q1 2024
	$	$	$	$	$	$	$	$	$	$
Clinic revenue	**81,763**	20,721	20,787	22,209	18,046	67,295	17,526	16,335	17,266	16,168
Non-clinic revenue	**5,430**	1,428	1,292	1,421	1,289	5,511	1,362	1,217	1,614	1,318
Total revenue	**87,193**	22,149	22,079	23,630	19,335	72,806	18,888	17,552	18,880	17,486
Total operating expenses	**85,157**	22,142	21,590	22,545	18,880	71,544	18,746	17,406	18,142	17,250
Net and comprehensive income (loss)[1]	**(413)**	(334)	(94)	342	(327)	(485)	(180)	(323)	362	(344)
Adjusted EBITDA[2]	**5,953**	983	1,464	2,236	1,270	3,808	898	738	1,321	851
Net income (loss) per common share										
- basic	**(0.01)**	(0.01)	-	0.01	(0.01)	(0.01)	-	(0.01)	0.01	(0.01)
- diluted	**(0.01)**	(0.01)	-	0.01	(0.01)	(0.01)	-	(0.01)	0.01	(0.01)

(1) Net and comprehensive income (loss) includes non-controlling interests.
(2) Adjusted EBITDA is a non-IFRS measure. Please refer to *Non-IFRS Financial Measures* above.

Fourth Quarter Results

Operating Results

	Three months ended December 31, 2025	Three months ended December 31, 2024
	$	$
Clinic revenue	**20,721**	17,526
Non-clinic revenue	**1,428**	1,362
Total revenue	**22,149**	18,888
Cost of medical services	**18,086**	15,261
General and administrative	**3,050**	2,333
Occupancy costs	**443**	417
Depreciation and amortization	**563**	588
Restructuring	**-**	147
Total operating expenses	**22,142**	18,746
Other expenses	**385**	285
Income tax expense (recovery)	**(44)**	37
Net and comprehensive loss	**(334)**	(180)

Total Revenue

Total revenue is comprised of clinic revenue and non-clinic revenue. Total revenue was $22.1 million for the three months ended December 31, 2025 compared to $18.9 million for the three months ended December 31, 2024.

Clinic Revenue

Clinic revenue was $20.7 million for the three months ended December 31, 2025 compared to $17.5 million for the three months ended December 31, 2024. The increase in clinic revenue was primarily due to increased patient visits, the launch of Arthrosamid, positive adjustments to physician reimbursement rates, growth from fluoroscopy revenues and an improvement in capacity utilization through continued optimization of the space in the Company's medical facilities.

Non-clinic Revenue

Non-clinic revenue was $1.4 million for the three months ended December 31, 2025 and 2024. Non-clinic revenue is earned from physician staffing allocation services where the Company provides physicians for provincial and federal correctional institutions across Canada, and from contract research services provided to pharmaceutical companies and clinical research organizations. This revenue fluctuates depending on the need for physicians in certain institutions and the timing and enrolment of clinical studies that the Company is working on.

Total Operating Expenses

Total operating expenses were $22.1 million for the three months ended December 31, 2025 compared to $18.7 million for the three months ended December 31, 2024.

Cost of Medical Services

COMS was $18.1 million for the three months ended December 31, 2025 compared to $15.3 million for the three months ended December 31, 2024. For the current three-month period, the increase in COMS was primarily driven by increased total revenue compared to the comparative three-month period. COMS as a percentage of revenue was 81.7% for the three months ended December 31, 2025 compared to 80.8% for the three months ended December 31, 2024.

Gross margin % was 18.3% for the three months ended December 31, 2025 compared to 19.2% for the three months ended December 31, 2024.

General and Administrative

G&A expenses were $3.1 million for the three months ended December 31, 2025 compared to $2.3 million for the three months ended December 31, 2024. The increase in G&A expenses was primarily due to higher salaries and benefits and professional and consulting fees. The increase in salaries and benefits includes an accrual towards

achievement of a one-time executive long-term performance and retention bonus, which was approved by the Board in 2023 and was payable upon the achievement of certain performance metrics in 2025.

Occupancy Costs
Occupancy costs were $0.4 million for the three months ended December 31, 2025 and 2024. Occupancy costs represent the costs related to leased medical facilities. As at December 31, 2025, the Company leased 12 medical facilities.

Depreciation and Amortization
Depreciation and amortization expenses were $0.6 million for the three months ended December 31, 2025 and 2024. Depreciation and amortization expenses relate to amortization of intangible assets, depreciation of right-of-use assets and depreciation of property, plant & equipment, and remained consistent with the comparative three-month period.

Restructuring
Restructuring expenses were $nil for the three months ended December 31, 2025 compared to $0.1 million for the three months ended December 31, 2024. Restructuring expenses for the three months ended December 31, 2024 related to severance and other termination benefits for the Company's corporate office workforce.

Other Expenses
The Company recognized other expenses of $0.4 million for the three months ended December 31, 2025 compared to $0.3 million for the three months ended December 31, 2024. The increase in other expenses in the current three-month period was due to higher transaction and other costs, partially offset by lower interest costs.

Net and Comprehensive Loss
Net and comprehensive loss was $0.3 million for the three months ended December 31, 2025 compared to $0.2 million for the three months ended December 31, 2024. The increase in net and comprehensive loss during the current three-month period was primarily attributable to an increase in G&A and other expenses.

Liquidity

	Three months ended December 31, 2025	Three months ended December 31, 2024
	$	$
Net and comprehensive loss	**(334)**	(180)
Items not involving current cash flows	**780**	766
Cash provided by operations	**446**	586
Net change in non-cash working capital	**216**	(170)
Cash provided by operating activities	**662**	416
Cash used in investing activities	**(245)**	(253)
Cash used in financing activities	**(578)**	(381)
Net change in cash and cash equivalents during the period	**(161)**	(218)
Cash and cash equivalents, beginning of period	**4,633**	3,141
Cash and cash equivalents, end of period	**4,472**	2,923

Cash and Cash Equivalents
As at December 31, 2025, cash and cash equivalents were $4.5 million compared to $2.9 million as at December 31, 2024.

Operating Activities
Cash provided by operating activities was $0.7 million for the three months ended December 31, 2025 compared to $0.4 million for the three months ended December 31, 2024. The increase in cash provided by operating activities was primarily attributable to a $0.6 million increase in non-cash working capital, partially offset by a decrease in cash provided by operations.

Investing Activities
Cash used in investing activities was $0.2 million for the three months ended December 31, 2025 compared to $0.3 million for the three months ended December 31, 2024. During the current and comparative three-month periods, cash used in investing activities primarily related to leasehold improvements and the acquisition of computers and equipment for medical facilities.

Financing Activities
Cash used in financing activities was $0.6 million for the three months ended December 31, 2025 compared to $0.4 million for the three months ended December 31, 2024. The increase in cash used in financing activities during the current three-month period was primarily attributable to repayments of long-term debt and lease obligations.

Financial Instruments

Classification of Financial Instruments
Financial assets and financial liabilities are measured on an ongoing basis at fair value or amortized cost. The classification of the financial instruments, as well as their carrying values, are shown in the table below:

	December 31, 2025	December 31, 2024
	$	$
Financial assets at amortized cost		
Cash and cash equivalents	**4,472**	2,923
Accounts receivable	**8,668**	7,668
Other assets	**197**	280
Total financial assets	**13,337**	10,871
Financial liabilities at amortized cost		
Accounts payable and accrued liabilities	**10,868**	8,446
Lease obligations	**6,962**	5,592
Long-term debt	**6,175**	2,083
Due to related parties	**-**	3,674
Total financial liabilities	**24,005**	19,795

The Company's financial instruments are measured at amortized cost and their fair values approximate carrying values.

Financial Instruments
IFRS 13, *Fair Value Measurement* requires disclosure of a three-level hierarchy that reflects the significance of the inputs used in making fair value measurements. All assets and liabilities for which fair value is measured or disclosed in these Consolidated Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Unadjusted quoted prices at the measurement date for identical assets or liabilities in active markets.
- Level 2 – Observable inputs other than quoted prices in Level 1, such as quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets and liabilities in markets that are not active or other inputs that are observable or can be corroborated by observable market data.
- Level 3 – Significant unobservable inputs that are supported by little or no market activity.

The Company reviews the fair value hierarchy classification on a quarterly basis. Changes to the ability to observe valuation inputs may result in a reclassification of levels for certain securities within the fair value hierarchy. The Company did not have any transfer of assets or liabilities between Level 1, Level 2 and Level 3 of the fair value hierarchy during the years ended December 31, 2025 and 2024.

FINANCIAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument-related risks. The Board of Directors mitigates these risks by assessing, monitoring and approving the Company's risk management process. This is not an exhaustive list of all risks nor will the mitigation strategies eliminate all risks listed.

Credit Risk

The Company, in the normal course of business, is exposed to credit risk from its customers. Credit risk is the risk of an unexpected loss if a counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk on its cash and cash equivalents, accounts receivable and other assets. The Company's objective with respect to credit risk in its operating activities is to reduce its exposure to losses. As the Company does not utilize credit derivatives or similar instruments, the maximum exposure to credit risk is the full amount of the carrying value of its cash and cash equivalents and accounts receivable.

The Company's accounts receivable relate to revenue earned from its customers. Credit risk is low as the Company's major customers are government organizations. Non-government customers include private health plans and employers, and do not significantly impact the Company's credit risk.

The Company's cash and cash equivalents are held with multiple financial institutions in various bank accounts. These financial institutions include three major banks in Canada, which the Company believes lessens the degree of credit risk. Cash and cash equivalents include cash on hand and current balances with banks and similar institutions, including money market mutual funds, which are readily convertible into known amounts of cash and have an insignificant risk of changes in value.

Risk Factors

The following is a discussion of liquidity risk and interest rate risk and related mitigation strategies that have been identified. This is not an exhaustive list of all risks nor will the mitigation strategies eliminate all risks listed.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting its financial liability obligations as they become due. The Company's objective is to provide for expected cash requirements and accommodate for changes in liquidity needs. The Company manages this risk by managing its capital structure through continuous monitoring of its actual and projected cash flows.

As at December 31, 2025, the Company's financial liabilities had contractual maturities as summarized below:

		Current	Non-current		
	Total **$**	**Within 12 Months** **$**	**1 to 2 Years** **$**	**3 to 5 Years** **$**	**> 5 Years** **$**
Accounts payable and accrued liabilities	**10,868**	10,868	-	-	-
Long-term debt	**6,175**	650	1,300	1,300	2,925
Lease obligations	**6,962**	1,113	2,228	1,939	1,682
	24,005	**12,631**	**3,528**	**3,239**	**4,607**

Interest rate risk

Financial instruments that potentially subject the Company to cash flow interest rate risk are those assets and liabilities with a variable interest rate. Three of the Company's loan facilities, included in long-term debt, have a variable interest rate. Accordingly, with respect to the carrying and fair values of interest-bearing liabilities, an assumed 25-basis point increase or decrease in interest rates would not have a significant impact on net and comprehensive income (loss).

Financial assets and financial liabilities that bear interest at fixed rates are subject to fair value interest rate risk. The Company's lease obligations and certain long-term debt are at fixed rates of interest. Those financial assets and financial liabilities that are non-interest bearing are carried at amortized cost and calculated using discount rates appropriate to the related debt.

The Company's policy is to minimize interest rate cash flow risk exposures on its long-term financing.

Litigation

The Company is engaged in various legal proceedings that have arisen in the normal course of business. The Company believes it has prepared valid defences and that its defences against these claims will be successful. The Company believes that any current ongoing claims are without merit and frivolous in nature and has determined that a loss is not more likely than not to occur. Accordingly, no amounts have been provisioned for such claims in the Consolidated Financial Statements. Management intends to defend the matters vigorously. The Company believes that no material exposure exists on the eventual settlement of such litigation.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Related Party Transactions

The Company's related parties include certain investors and shareholders, subsidiaries and key management personnel.

Loans from Related Parties
The following related party balances were outstanding as at:

	December 31, 2025	December 31, 2024
	$	$
Due to Bloom Burton & Co. Inc.	**-**	3,631
Due to Bloom Burton Development Corp.	**-**	43
	-	3,674

The amount due to Bloom Burton & Co. Inc. ("BBCI"), a shareholder of the Company, was non-interest bearing, unsecured and due on demand. The amount due to Bloom Burton Development Corp. ("BBDC"), a shareholder of the Company, was non-interest bearing, unsecured and due on demand. On March 26, 2025, the Company utilized partial proceeds from the NBC Credit Facilities to repay the outstanding loans from BBCI and BBDC in full, amounting to $3.7 million.

Bloom Burton Securities Inc. ("BBSI") acted as a broker for the Debenture Offering (see Note 12, *Long-term Debt* in the Company's Consolidated Financial Statements for the year ended December 31, 2025). The fees paid to BBSI for the Debenture Offering were nominal. BBSI also received 76,390 Broker Warrants issued in connection with the Debenture Offering, with a fair value of $5 (see Note 15, *Warrants* in the Company's Consolidated Financial Statements for the year ended December 31, 2025). In April 2025, BBSI exercised its Broker Warrants for common shares of the Company for cash proceeds of $12.

On September 29, 2025, the Company repurchased and cancelled 1,600,000 warrants previously issued to Bloom Burton Healthcare Structured Lending Fund II LLP ("BBHSLF") and 2,880,000 warrants previously issued to Bloom Burton Healthcare Lending Trust ("BBHLT"). These warrants entitled the warrant holders to purchase common shares of the Company at a fixed price and were classified as equity instruments. At the time of repurchase, the warrants had a carrying value of $0.8 million and the Company paid total cash consideration of $0.2 million to BBHSLF and BBHLT. The difference of $0.6 million was recognized as an increase to contributed surplus (see Note 15, *Warrants* in the Company's Consolidated Financial Statements for the year ended December 31, 2025).

Joseph Walewicz, Chief Executive Officer and a Director of the Company and Daniel Chicoine, the Chair of the Board of Directors of the Company, participated in the Debenture Offering. Their participation accounted for 11% of the gross proceeds from the Debenture Offering and they received a proportionate share of the Bonus Shares issued based on their participation rate. On March 26, 2025, the Company provided notice to holders of its Debenture Units of its intention to redeem all outstanding Debentures, and the Company utilized partial proceeds

from the NBC Credit Facilities to repay the Total Redemption Price (see Note 12, *Long-term Debt* in the Company's Consolidated Financial Statements for the year ended December 31, 2025).

Outstanding Share Data

As at December 31, 2025, the Company had (i) 56,306,787 common shares, (ii) 769,375 restricted share units, and (iii) 5,093,049 stock options (with strike prices ranging from $0.14 to $0.87 per common share, of which 2,985,797 have vested), issued and outstanding.

The fully diluted number of common shares outstanding as at December 31, 2025 was 62,169,211.

Critical Accounting Policies and Estimates

The preparation of the Consolidated Financial Statements in conformity with IFRS requires management to make estimates and assumptions at the date of the Consolidated Financial Statements that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities and the reported amounts of revenue and expenses during the reporting periods. Management has identified accounting estimates that it believes are most critical to understanding the Consolidated Financial Statements and those that require the application of management's most subjective judgments, often requiring estimates about the effect of matters that are inherently uncertain and may change in subsequent periods. The Company's actual results could differ from these estimates and such differences could be material. All material accounting policies are disclosed in Note 3, *Adoption of New Accounting Standards* and Note 4, *Summary of Material Accounting Policies* of the Company's Consolidated Financial Statements for the year ended December 31, 2025.

Recent Accounting Pronouncements

Future Changes in Accounting Policies

Amendments to the Classification and Measurement of Financial Instruments
In May 2024, the IASB issued Amendments to IFRS 9, *Financial Instruments* and IFRS 7, *Amendments to the Classification and Measurement of Financial Instruments (the "Amendments")*. The Amendments include:

(i) A clarification that a financial liability is derecognised on the 'settlement date' and the introduction of an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date;
(ii) Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance ("ESG") and similar features should be assessed;
(iii) Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments; and
(iv) The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income ("OCI").

The Amendments are effective for annual periods starting on or after January 1, 2026, with early adoption permitted for classification of financial assets and related disclosures only. The implementation of these Amendments is not expected to have a material impact on the Company's consolidated financial statements.

IFRS 18, Presentation and Disclosure in Financial Statements
In April 2024, the IASB issued IFRS 18, *Presentation and Disclosure in Financial Statements* ("IFRS 18"), which replaces IAS 1, *Presentation of Financial Statements* ("IAS 1"). IFRS 18 aims to improve the comparability and transparency of communication in financial statements by introducing a number of new requirements:

(i) Classify income and expenses in the statement of profit or loss into categories such as operating, investing, financing, income taxes and discontinued operations, as well as present defined subtotals;
(ii) Provide note disclosure on management-defined performance measures that are used in communications outside the entity's financial statements;

(iii) Enhance the aggregation or disaggregation of information to ensure that items are classified and aggregated based on shared characteristics and material information is not obscured; and

(iv) Implement narrow scope amendments that have been made to IAS 7, *Statement of Cash Flows*, IAS 34, *Interim Financial Reporting*, and other minor amendments to other standards. Some requirements previously included within IAS 1 have been moved to IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*, which has been renamed IAS 8, *Basis of Preparation of Financial Statements*.

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and requires retrospective application. Early adoption is permitted, but will need to be disclosed. Management is evaluating the impact of IFRS 18, including the impact of the amendments to the other accounting standards on the consolidated financial statements.

Risk Factors

The Company is exposed to a variety of known and unknown risks in the pursuit of its strategic objectives. The impact of any risk may adversely affect, among other things, the Company's business, reputation, financial condition, results of operations and cash flows, which may affect the market price of its securities. The Company attempts to mitigate its strategic risks to an acceptable level through a variety of policies, systems and processes.

An investment in the common shares is speculative and involves a high degree of risk due to the nature of the Company's business. It is recommended that investors consult with their own professional advisors before investing in the common shares.

An investor should carefully consider the information contained in this MD&A, in addition to the risk factors discussed in the Company's AIF under the heading "Risk Factors", which section is hereby incorporated herein by reference. The AIF is available under the Company's profile on SEDAR+ at www.sedarplus.ca. The disclosures in this MD&A are subject to the risk factors outlined in the AIF. Additional risks and uncertainties not presently known to the Company or that the Company believes to be immaterial may also adversely affect the Company's business. If any one or more of the risks occur as outlined in the AIF, the Company's business, financial condition and results of operations could be seriously harmed. Further, if the Company fails to meet the expectations of the public market in any given period, the market price of the Company's common shares could decline. Before making an investment decision, each prospective investor should carefully consider the risk factors included in the AIF and other public documents.