# NeuPath Health Inc.

# Condensed Consolidated Interim Financial Statements June 30, 2026 and 2025 (unaudited)

## NOTICE TO READER

The accompanying Condensed Consolidated Interim Financial Statements of NeuPath Health Inc. (the ”Company”) have been prepared by and are the responsibility of the Company’s management.

The Company’s independent external auditors, Ernst & Young LLP, have not performed a review or an audit of these Condensed Consolidated Interim Financial Statements in accordance with Canadian generally accepted standards for a review of interim financial statements by an entity’s auditor.

The Condensed Consolidated Interim Financial Statements include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these Condensed Consolidated Interim Financial Statements in accordance with IFRS Accounting Standards (“IFRS”). Management has determined such amounts on a reasonable basis in order to ensure that these Condensed Consolidated Interim Financial Statements are presented fairly in all material respects.

**NEUPATH HEALTH INC.**
**CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION (UNAUDITED)**

| *(Canadian dollars in thousands)* | ***Notes*** | **As at June 30, 2026** **$** | As at December 31, 2025 $ |
|---|---|---|---|
| **ASSETS** | | | |
| **CURRENT** | | | |
| Cash and cash equivalents | | **3,510** | 4,472 |
| Accounts receivable | | **10,107** | 8,668 |
| Other assets | | **586** | 750 |
| **TOTAL CURRENT ASSETS** | | **14,203** | 13,890 |
| **NON-CURRENT** | | | |
| Property, plant and equipment | | **3,408** | 3,354 |
| Right-of-use assets | | **6,379** | 6,105 |
| Other assets | | **411** | 379 |
| Intangible assets | | **481** | 585 |
| Goodwill | | **20,752** | 20,752 |
| Deferred income tax assets | *15* | **954** | 25 |
| **TOTAL ASSETS** | | **46,588** | 45,090 |
| **LIABILITIES AND EQUITY** | | | |
| **CURRENT** | | | |
| Accounts payable and accrued liabilities | | **9,948** | 10,868 |
| Current portion of long-term debt | *4* | **650** | 650 |
| Current portion of lease obligations | *3* | **1,305** | 1,113 |
| Current income tax liabilities | | **55** | 134 |
| **TOTAL CURRENT LIABILITIES** | | **11,958** | 12,765 |
| **NON-CURRENT** | | | |
| Long-term debt | *4* | **5,200** | 5,525 |
| Lease obligations | *3* | **6,003** | 5,849 |
| **TOTAL LIABILITIES** | | **23,161** | 24,139 |
| **EQUITY** | | | |
| Share capital | *5* | **43,784** | 43,560 |
| Contributed surplus | *6* | **4,722** | 4,526 |
| Deficit | | **(25,562)** | (27,467) |
| **Equity attributable to shareholders of NeuPath Health Inc.** | | **22,944** | 20,619 |
| Non-controlling interest | | **483** | 332 |
| **TOTAL EQUITY** | | **23,427** | 20,951 |
| **TOTAL LIABILITIES AND EQUITY** | | **46,588** | 45,090 |

Note 10, Commitments

*The accompanying Notes are an integral part of these Condensed Consolidated Interim Financial Statements.*

**NEUPATH HEALTH INC.**
**CONSOLIDATED INTERIM STATEMENTS OF NET AND COMPREHENSIVE INCOME (UNAUDITED)**

| | | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|---|
| | | **2026** | 2025 | **2026** | 2025 |
| *(Canadian dollars in thousands, except per share figures or otherwise noted)* | ***Notes*** | **$** | $ | **$** | $ |
| **REVENUE** | | | | | |
| Medical services | *13* | **23,234** | 23,630 | **44,744** | 42,965 |
| **Total revenue** | | **23,234** | 23,630 | **44,744** | 42,965 |
| **OPERATING EXPENSES** | | | | | |
| Cost of medical services | | **18,821** | 18,951 | **36,376** | 34,646 |
| General and administrative expenses | | **2,343** | 2,587 | **4,515** | 4,743 |
| Occupancy costs | | **458** | 433 | **836** | 865 |
| Depreciation and amortization | | **583** | 574 | **1,126** | 1,171 |
| **Total operating expenses** | | **22,205** | 22,545 | **42,853** | 41,425 |
| **OTHER EXPENSES** | | | | | |
| Interest cost | *3, 4* | **187** | 189 | **374** | 485 |
| Transaction and other costs | | **31** | 406 | **238** | 759 |
| **Net income before income taxes** | | **811** | 490 | **1,279** | 296 |
| **INCOME TAXES** | | | | | |
| Current income tax expense | | **62** | 148 | **151** | 281 |
| Deferred income tax recovery | *15* | **(928)** | - | **(928)** | - |
| **Total income tax expense (recovery)** | | **(866)** | 148 | **(777)** | 281 |
| **NET AND COMPREHENSIVE INCOME** | | **1,677** | 342 | **2,056** | 15 |
| **Attributed to:** | | | | | |
| Shareholders of NeuPath Health Inc. | | **1,592** | 258 | **1,905** | (155) |
| Non-controlling interest | | **85** | 84 | **151** | 170 |
| | | **1,677** | 342 | **2,056** | 15 |
| **Net income per common share** | | | | | |
| - basic | | **0.03** | 0.01 | **0.04** | - |
| - diluted | | **0.03** | 0.01 | **0.03** | - |
| **Weighted average number of common shares outstanding (in thousands)** | | | | | |
| - basic | | **56,329** | 56,571 | **56,309** | 56,395 |
| - diluted | | **60,269** | 58,149 | **60,249** | 57,973 |

*The accompanying Notes are an integral part of these Condensed Consolidated Interim Financial Statements.*

## NEUPATH HEALTH INC.
## CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

| | | Attributable to shareholders of NeuPath Health Inc. | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Share Capital | | Warrants | Contributed Surplus | Deficit | Total | Non-controlling Interest | Total Equity |
| *(Canadian dollars in thousands, except number of shares)* | ***Notes*** | **000s** | **$** | **$** | **$** | **$** | **$** | **$** | **$** |
| Balance, December 31, 2024 | | 56,387 | 44,049 | 849 | 3,256 | (26,750) | 21,404 | 28 | 21,432 |
| Stock-based compensation expense | *6* | - | - | - | 95 | - | 95 | - | 95 |
| Conversion of Warrants | *7* | 781 | 163 | (46) | - | - | 117 | - | 117 |
| Expiry of Warrants | *7* | - | - | (3) | 3 | - | - | - | - |
| Shares repurchased and cancelled | *5* | (569) | (365) | - | 270 | - | (95) | - | (95) |
| Shares repurchased, but not cancelled | | - | (39) | - | 27 | - | (12) | - | (12) |
| Net and comprehensive income (loss) | | - | - | - | - | (155) | (155) | 170 | 15 |
| Balance, June 30, 2025 | | 56,599 | 43,808 | 800 | 3,651 | (26,905) | 21,354 | 198 | 21,552 |
| Stock-based compensation expense | *6* | - | - | - | 131 | - | 131 | - | 131 |
| Restricted share units, vested and exercised | *6* | 182 | 80 | - | (80) | - | - | - | - |
| Shares repurchased and cancelled | *5* | (474) | (328) | - | 204 | - | (124) | - | (124) |
| Warrants repurchased and cancelled | *7* | - | - | (800) | 620 | - | (180) | - | (180) |
| Net and comprehensive income (loss) | | - | - | - | - | (562) | (562) | 134 | (428) |
| Balance, December 31, 2025 | | 56,307 | 43,560 | - | 4,526 | (27,467) | 20,619 | 332 | 20,951 |
| Stock-based compensation expense | *6* | - | - | - | 149 | - | 149 | - | 149 |
| Stock options exercised | *6* | 26 | 5 | - | - | - | 5 | - | 5 |
| Restricted share units, vested and exercised | *6* | 60 | 38 | - | (38) | - | - | - | - |
| Shares repurchased and cancelled | *5* | (308) | (239) | - | 85 | - | (154) | - | (154) |
| Shares issued to settle executive long-term incentive award | *5, 12* | 894 | 420 | - | - | - | 420 | - | 420 |
| Net and comprehensive income | | - | - | - | - | 1,905 | 1,905 | 151 | 2,056 |
| **Balance, June 30, 2026** | | **56,979** | **43,784** | **-** | **4,722** | **(25,562)** | **22,944** | **483** | **23,427** |

*The accompanying Notes are an integral part of these Condensed Consolidated Interim Financial Statements.*

**NEUPATH HEALTH INC.**
**CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS (UNAUDITED)**

| *(Canadian dollars in thousands)* | ***Notes*** | **Six months ended June 30, 2026** **$** | Six months ended June 30, 2025 $ |
|---|---|---|---|
| **OPERATING ACTIVITIES** | | | |
| Net and comprehensive income | | **2,056** | 15 |
| Items not involving current cash flows: | | | |
| Depreciation and amortization | | **1,126** | 1,171 |
| Accretion of lease obligations | *3* | **235** | 203 |
| Equity-settled stock-based compensation expense | *6* | **149** | 95 |
| Deferred income tax recovery | *15* | **(928)** | - |
| Accretion of other assets | | **-** | (5) |
| Accretion of debenture offering | *4* | **-** | 134 |
| | | **2,638** | 1,613 |
| Net change in non-cash working capital | *9* | **(1,935)** | (313) |
| **CASH PROVIDED BY OPERATING ACTIVITIES** | | **703** | 1,300 |
| **INVESTING ACTIVITIES** | | | |
| Acquisition of property, plant and equipment | | **(456)** | (178) |
| **CASH USED IN INVESTING ACTIVITIES** | | **(456)** | (178) |
| **FINANCING ACTIVITIES** | | | |
| Repayment of lease obligations | *3* | **(783)** | (867) |
| Repayment of long-term debt | *4* | **(325)** | (764) |
| Common shares repurchased | *5* | **(154)** | (107) |
| Receipts from other assets receivable | | **48** | 48 |
| Exercise of stock options | *6* | **5** | - |
| Repayment of related party loans | *12* | **-** | (3,674) |
| Repayment of debenture offering | *4* | **-** | (1,453) |
| Advances of long-term debt | *4* | **-** | 6,500 |
| Proceeds on conversion of Warrants | *7* | **-** | 117 |
| **CASH USED IN FINANCING ACTIVITIES** | | **(1,209)** | (200) |
| Net change in cash and cash equivalents during the period | | **(962)** | 922 |
| Cash and cash equivalents, beginning of period | | **4,472** | 2,923 |
| **CASH AND CASH EQUIVALENTS, END OF PERIOD** | | **3,510** | 3,845 |
| | | | |
| **Supplemental cash flow information** | | | |
| *Interest paid*[1] | | **160** | 162 |
| *Income taxes paid* | | **230** | 178 |

[1.] Amounts received for interest were reflected as operating cash flows in the Consolidated Interim Statements of Cash Flows.

*The accompanying Notes are an integral part of these Condensed Consolidated Interim Financial Statements.*

## 1. NATURE OF BUSINESS

NeuPath Health Inc. ("NeuPath" or the "Company") 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-related medical services. 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.

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, Sports Medicine physicians and General Practitioners with specialized training in chronic pain, as well as Athletic Therapists, Psychotherapists, Dietitians, Nurses and other allied health practitioners.

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 has 10 medical facilities across Ontario and 2 medical facilities in Alberta staffed with approximately 160 healthcare providers.

The Company's registered office is located at 181 Bay Street, Suite 2100, Toronto, Ontario, Canada, M5J 2T3.

## 2. BASIS OF PREPARATION

### Statement of Compliance

The Company prepares its Condensed Consolidated Interim Financial Statements in accordance with International Accounting Standard 34, *Interim Financial Reporting*. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to these Condensed Consolidated Interim Financial Statements, were the same as those applied to the Company's annual Consolidated Financial Statements as at and for the year ended December 31, 2025.

These Condensed Consolidated Interim Financial Statements should be read in conjunction, and reflect consistent accounting policies, with the annual Consolidated Financial Statements as at and for the year ended December 31, 2025. Effective January 1, 2026, the Company adopted 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 a financial liability based on settlement date and an accounting policy choice relating to method of settlement, and provides further clarification on the classification of financial assets with features linked to environmental, social and corporate governance. These amendments did not have a material impact on the Company's Condensed Consolidated Interim Financial Statements. The Company has not early adopted any other standard, interpretation or amendment that has been issued, but is not yet effective.

These unaudited Condensed Consolidated Interim Financial Statements were issued and effective as at August 12, 2026, the date the Board of Directors approved these Condensed Consolidated Interim Financial Statements.

### Use of Estimates and Judgments

The preparation of these Condensed Consolidated Interim Financial Statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as at the date of these Condensed Consolidated Interim Financial Statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from these estimates and such differences could be material.

### Basis of Measurement

These Condensed Consolidated Interim Financial Statements have been prepared under the historical cost convention, except for the revaluation of certain financial liabilities to fair value. Items included in the financial statements of each consolidated entity in the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). These Condensed Consolidated Interim Financial Statements are presented in Canadian dollars, which is the Company's functional currency.

### Basis of Consolidation

These Condensed Consolidated Interim Financial Statements include the accounts of the Company and its subsidiaries as follows:

| | % Ownership |
|---|---|
| AIM Health Group Corp.[(i)(ii)] | **100%** |
| CompreMed Canada Inc. | **100%** |
| HealthPointe Medical Centres Ltd.[(iii)] | **100%** |

(i) On January 1, 2026, the Company completed an internal corporate restructuring including: (i) the amalgamation of Viable Healthworks (Canada) Corp., Accident Injury Management Clinic (Hamilton-Rosedale) Inc. and AIM Health Group Corp., with the resulting entity being named AIM Health Group Corp.; and (ii) the amalgamation of Renaissance Asset Management (London) Inc., 2276321 Ontario Inc. and InMedic Corporation with the resulting entity being named InMedic Corporation.

(ii) On April 1, 2026, AIM Health Group Corp. and InMedic Corporation were amalgamated to continue as a single legal entity, AIM Health Group Corp. pursuant to subsection 176(4) of the *Business Corporations Act*.

(iii) Includes a 50% ownership in HealthPointe@CAO Services Ltd., a subsidiary of HealthPointe Medical Centres Ltd. ("HealthPointe").

The Company controls its subsidiaries with the power to govern their financial and operating policies. All significant intercompany balances and transactions have been eliminated upon consolidation. The Company attributes the total comprehensive income or loss of HealthPointe@CAO Services Ltd. between the equity holders of the parent and the non-controlling interests based on their respective ownership interests.

## 3. LEASE OBLIGATIONS

The Company leases medical equipment, computer equipment and real property for its medical facilities in Canada. Lease obligations consist of the following:

| | **2026** | 2025 |
|---|---|---|
| | **$** | $ |
| Balance, as at January 1 | **6,962** | 5,592 |
| Additions during the period | **894** | 863 |
| Payments during the period | **(783)** | (867) |
| Interest expense during the period | **235** | 203 |
| | **7,308** | 5,791 |
| Less: amounts due within one year | **1,305** | 895 |
| **Long-term balance, June 30** | **6,003** | 4,896 |

During the three and six months ended June 30, 2026, the Company entered into a new lease agreement for its corporate office location, existing medical facility and printers resulting in additions to lease obligations of $0.5 million and $0.9 million, respectively. The Company recognizes corresponding right-of-use ("ROU") assets for any lease obligation additions.

For the three and six months ended June 30, 2026, lease payments totalled $421 and $783 [$439 and $867 for the three and six months ended June 30, 2025]. The Company expenses payments for short-term leases and low-value leases as incurred. These payments for short-term leases and low-value leases were not material for the three and six months ended June 30, 2026 and 2025.

The Company's future cash outflows may change due to variable lease payments, renewal options, termination options, residual value guarantees and leases that have not yet commenced, which the Company is committed to, but are not reflected in the lease obligations.

The following is a maturity analysis for undiscounted lease payments that are reflected in the lease obligations as at June 30, 2026:

| | **$** |
|---|---|
| Less than 1 year | 1,725 |
| 1 to 2 years | 1,603 |
| 2 to 3 years | 1,449 |
| 3 to 4 years | 1,396 |
| 4 to 5 years | 1,001 |
| Beyond 5 years | 1,573 |
| | **8,747** |

See Note 10, *Commitments* for additional information on estimated additional rent payment obligations related to the Company's leases on its medical and office facilities.

## 4. LONG-TERM DEBT

| | **June 30, 2026** **$** | December 31, 2025 $ |
|---|---|---|
| National Bank of Canada | **5,850** | 6,175 |
| | **5,850** | 6,175 |
| Less: amounts due within one year | **650** | 650 |
| **Long-term balance** | **5,200** | 5,525 |

The credit agreement with the National Bank of Canada provides the Company total credit facilities ("Credit Facilities") of $13.5 million in loans, comprised of (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"). As at June 30, 2026, the Company had $5.9 million outstanding on the Term Loan facility with no amounts drawn on the Revolving Facility and the Acquisition Line.

During the six months ended June 30, 2026, the Company made scheduled principal and interest payments under its Credit Facilities amounting to $0.3 million and $0.2 million, respectively. There were no changes to the terms or conditions of the Company's Credit Facilities from those disclosed in the audited Consolidated Financial Statements for the year ended December 31, 2025.

The Company was in compliance with the covenant requirements under the Credit Facilities as at June 30, 2026.

## 5. SHARE CAPITAL

The Company is authorized to issue an unlimited number of common shares with no nominal or par value, with a right to one vote per share and a right to a dividend when declared by the Board of Directors.

The following table summarizes the Company's outstanding common shares:

| | Number of shares | $ |
|---|---|---|
| Balance, December 31, 2024 | 56,387 | 44,049 |
| Conversion of Warrants (Note 7) | 781 | 163 |
| Shares issued through Options and RSUs exercised (Note 6) | 182 | 80 |
| Shares repurchased and cancelled | (1,043) | (732) |
| Balance, December 31, 2025 | 56,307 | 43,560 |
| Shares repurchased and cancelled | (308) | (239) |
| Shares issued through Options and RSUs exercised (Note 6) | 86 | 43 |
| Shares issued to settle executive long-term incentive award | 894 | 420 |
| **Balance, June 30, 2026** | **56,979** | **43,784** |

During the six months ended June 30, 2026, 308,000 common shares with a carrying value of $0.2 million were repurchased for cancellation under the Company's normal course issuer bid for cash consideration of $0.2 million, at a weighted average price of $0.51. The excess of the carrying value over the purchase price was recorded to contributed surplus.

During the three and six months ended June 30, 2026, the Company issued 60,000 common shares related to the vesting and conversion of Restricted Share Units ("RSUs"), and 26,250 common shares related to exercise of stock options. In addition, during the three and six months ended June 30, 2026, the Company issued 893,616 common shares approved by the shareholders of the Company at its Annual General and Special Meeting of Shareholders held on June 10, 2026 with an aggregate fair value of $0.4 million to settle a portion of the accrued one-time executive long-term performance and retention bonus ("LTI"), which was recognized in fiscal 2025 once the underlying targets were met. The fair value was based on the market price of the Company's common shares on the settlement date. Accordingly, no gain or loss was recognized on settlement.

During the three and six months ended June 30, 2025, the Company issued 780,694 common shares related to the conversion of Broker Warrants to common shares (see Note 7, *Warrants*).

## 6. STOCK-BASED COMPENSATION

The Company has three stock-based compensation plans: the Amended and Restated Stock Option Plan ("Stock Option Plan"), the Second Amended and Restated Restricted Share Unit Plan ("RSU Plan") and the Employee Share Purchase Plan ("ESPP").

### Stock Option Plan

As at June 30, 2026, the maximum number of common shares available for issuance under the Stock Option Plan was 241,066 [June 30, 2025 - 403,692]. The terms of the stock options ("Options") granted are in accordance with the Stock Option Plan.

The following is a schedule of the Options outstanding:

| | Options<br>000s | Range of Exercise Price<br>$ | Weighted Average Exercise Price<br>$ |
|---|---|---|---|
| Balance, December 31, 2025 | 5,093 | 0.14 – 0.87 | 0.21 |
| Granted | 405 | 0.46 | 0.46 |
| Expired | (15) | 0.14 – 0.16 | 0.15 |
| Exercised | (26) | 0.16 – 0.19 | 0.18 |
| **Balance, June 30, 2026** | **5,457** | **0.14 – 0.87** | **0.23** |

The fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model and calculated using time-based vesting. Options model inputs for Option grants outstanding as at June 30, 2026 were as follows:

| Options<br>000s | Grant Date | Share Price<br>$ | Exercise Price<br>$ | Risk-free Interest Rate<br>% | Expected Life<br>Years | Volatility Factor<br>% | Vested Options<br>000s | Vesting Period Years | Fair Value per Option<br>$ |
|---|---|---|---|---|---|---|---|---|---|
| 124 | September 1, 2020 | 0.87 | 0.87 | 1.52 | 7 | 40.51 | 124 | 4 | 0.38 |
| 167 | May 31, 2022 | 0.45 | 0.45 | 2.72 | 7 | 50.81 | 167 | 1 | 0.21 |
| 100 | May 31, 2022 | 0.45 | 0.45 | 2.72 | 5 | 50.81 | 100 | 4 | 0.21 |
| 465 | August 24, 2022 | 0.30 | 0.30 | 3.09 | 7 | 48.80 | 465 | 1 | 0.16 |
| 920 | November 22, 2022 | 0.16 | 0.16 | 3.03 | 7 | 53.03 | 692 | 4 | 0.09 |
| 296 | June 15, 2023 | 0.16 | 0.16 | 1.72 | 7 | 58.91 | 297 | 1 | 0.09 |
| 1,538 | May 30, 2023 | 0.14 | 0.14 | 1.70 | 7 | 58.60 | 1,162 | 4 | 0.08 |
| 120 | September 24, 2024 | 0.18 | 0.18 | 2.12 | 7 | 65.14 | 30 | 4 | 0.12 |
| 797 | December 9, 2024 | 0.19 | 0.19 | 2.16 | 7 | 65.65 | 308 | 4 | 0.12 |
| 375 | May 21, 2025 | 0.24 | 0.24 | 2.20 | 7 | 67.29 | 94 | 4 | 0.16 |
| 150 | June 12, 2025 | 0.26 | 0.26 | 2.22 | 7 | 67.62 | 150 | 1 | 0.17 |
| 405 | March 31, 2026 | 0.46 | 0.46 | 2.34 | 7 | 69.66 | - | 4 | 0.31 |

**Restricted Share Unit Plan**

As at June 30, 2026, the maximum number of common shares available for issuance under the RSU Plan was 2,087,693. The terms of the RSUs granted are in accordance with the RSU Plan.

The following is a schedule of RSUs outstanding:

| | RSUs<br>000s | Grant Date Share Price Range<br>$ | Weighted Average Exercise Price<br>$ |
|---|---|---|---|
| Balance, December 31, 2025 | 769 | 0.16 – 0.26 | 0.22 |
| RSUs granted | 851 | 0.46 – 0.61 | 0.50 |
| Vested and converted to common shares | (60) | 0.26 | 0.26 |
| **Balance, June 30, 2026** | **1,560** | **0.16 – 0.61** | **0.37** |

The following table summarizes the outstanding RSUs held by directors, officers, employees and contractors as at June 30, 2026:

| RSUs 000s | Grant Date | Share Price $ | Vesting Period Years | Fair Value per RSU $ |
|---|---|---|---|---|
| 15 | November 22, 2022 | 0.16 | 4 | 0.16 |
| 319 | December 9, 2024 | 0.19 | 4 | 0.19 |
| 375 | May 21, 2025 | 0.24 | 4 | 0.24 |
| 651 | March 31, 2026 | 0.46 | 4 | 0.46 |
| 200 | June 11, 2026 | 0.61 | 1 | 0.61 |

In the current quarter, the Company adopted a second amended and restated restricted share unit plan, which restricts the settlement method for all RSUs to only common shares issued from treasury, and permits eligible RSU holders to defer their settlement date within a specified period following vesting. During the three and six months ended June 30, 2026, 93,750 RSUs vested and their settlement was deferred to a future date.

**Employee Share Purchase Plan**
The maximum number of common shares that can be issued under the ESPP is 500,000. As at June 30, 2026, the ESPP has not yet been implemented and no common shares have been issued under this plan.

**Summary of Stock-based Compensation**
Stock-based compensation expense for the three and six months ended June 30, 2026 was $99 and $149, all of which has been included in general and administrative expenses [$52 and $95 for the three and six months ended June 30, 2025].

The maximum number of common shares that can be issued under all three plans cannot exceed 20% of the total number of common shares outstanding calculated on a non-diluted basis.

## 7. WARRANTS

As at June 30, 2026, the Company had no Warrants outstanding and did not issue any Warrants during the three and six months ended June 30, 2026.

During the six months ended June 30, 2025, 780,694 Broker Warrants with a fair value of $46 and exercise price of $0.15 were exercised for common shares. The Company received $0.1 million in cash proceeds upon exercise. The remaining 55,417 Broker Warrants with a fair value of $3 expired without being exercised.

## 8. NET INCOME PER COMMON SHARE

Net income per common share is computed as follows:

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| | **2026** | 2025 | **2026** | 2025 |
| *(Canadian dollars in thousands, except per share figures or otherwise noted)* | **$** | $ | **$** | $ |
| Net income | **1,677** | 342 | **2,056** | 15 |
| Average number of shares outstanding during the period | **56,329** | 56,571 | **56,309** | 56,395 |
| **Basic income per share** | **0.03** | 0.01 | **0.04** | - |
| Net income | **1,677** | 342 | **2,056** | 15 |
| Dilutive effect of Options, RSUs and Warrants | **-** | - | **-** | - |
| **Net income, assuming dilution** | **1,677** | 342 | **2,056** | 15 |
| Average number of shares outstanding during the period | **56,329** | 56,571 | **56,309** | 56,395 |
| Dilutive effect of: | | | | |
| Vested stock options | **2,380** | 627 | **2,380** | 627 |
| Unvested RSUs | **1,560** | 951 | **1,560** | 951 |
| **Weighted average common shares outstanding, assuming dilution** | **60,269** | 58,149 | **60,249** | 57,973 |
| **Diluted income per share** | **0.03** | 0.01 | **0.03** | - |

The following table presents the maximum number of shares that would be outstanding if all dilutive and potentially dilutive instruments were exercised or converted as at:

| | **June 30, 2026** | | June 30, 2025 | |
|---|---|---|---|---|
| | **Weighted Average Exercise Price** | **Units Outstanding** | Weighted Average Exercise Price | Units Outstanding |
| | **$** | **000s** | $ | 000s |
| Common shares issued and outstanding | **-** | **56,309** | - | 56,395 |
| Options outstanding (Note 6) | **0.23** | **5,457** | 0.23 | 5,256 |
| RSUs outstanding (Note 6) | **-** | **1,560** | - | 951 |
| Warrants (Note 7) | **-** | **-** | 0.25 | 4,480 |
| | | **63,326** | | 67,082 |

## 9. NET CHANGE IN NON-CASH WORKING CAPITAL

Net change in non-cash working capital consists of:

| | **Six months ended June 30, 2026** | Six months ended June 30, 2025 |
|---|---|---|
| | **$** | $ |
| Accounts receivable | **(1,439)** | (1,754) |
| Other assets | **84** | (20) |
| Accounts payable and accrued liabilities | **(500)** | 1,365 |
| Income tax liabilities | **(80)** | 96 |
| **Net change in non-cash working capital** | **(1,935)** | (313) |

## 10. COMMITMENTS

The Company leases real property for its medical facilities in Canada. The Company is committed for estimated additional variable rent payment obligations as follows:

| Medical Facility | Expiry | Additional Rent Payments | 1 Year | 2 to 3 Years | 4 to 5 Years | > 5 Years |
|---|---|---|---|---|---|---|
| | | $ | $ | $ | $ | $ |
| Ottawa | July 31, 2028 | 267 | 128 | 139 | - | - |
| Windsor | March 31, 2030 | 124 | 33 | 66 | 25 | - |
| London | June 30, 2030 | 452 | 113 | 226 | 113 | - |
| Scarborough | July 31, 2030 | 208 | 51 | 102 | 55 | - |
| Oshawa | November 30, 2030 | 326 | 73 | 148 | 105 | - |
| Mississauga | January 31, 2031 | 215 | 47 | 94 | 74 | - |
| Brampton | July 31, 2031 | 330 | 65 | 130 | 130 | 5 |
| Red Deer | July 31, 2032 | 311 | 51 | 102 | 102 | 56 |
| Edmonton | December 31, 2033 | 3,031 | 404 | 808 | 808 | 1,011 |
| Mississauga | February 28, 2034 | 532 | 64 | 140 | 140 | 188 |
| | | **5,796** | **1,029** | **1,955** | **1,552** | **1,260** |

These additional rent payments are variable and, therefore, have not been included in ROU assets or lease obligations.

## 11. 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:

| | June 30, 2026 | December 31, 2025 |
|---|---|---|
| | $ | $ |
| **Financial assets at amortized cost** | | |
| Cash and cash equivalents | **3,510** | 4,472 |
| Accounts receivable | **10,107** | 8,668 |
| Other assets | **154** | 197 |
| **Total financial assets** | **13,771** | 13,337 |
| **Financial liabilities at amortized cost** | | |
| Accounts payable and accrued liabilities | **9,948** | 10,868 |
| Lease obligations | **7,308** | 6,962 |
| Long-term debt | **5,850** | 6,175 |
| **Total financial liabilities** | **23,106** | 24,005 |

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 Condensed Consolidated Interim 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 three and six months ended June 30, 2026 and 2025.

**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 June 30, 2026, 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 | **9,948** | 9,948 | - | - | - |
| Long-term debt | **5,850** | 650 | 1,300 | 1,300 | 2,600 |
| Lease obligations | **7,308** | 1,305 | 2,421 | 2,091 | 1,491 |
| | **23,106** | **11,903** | **3,721** | **3,391** | **4,091** |

*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. 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.

## 12. RELATED PARTY TRANSACTIONS

The Company's related parties include certain investors and shareholders, subsidiaries and key management personnel. There were no changes in related-party relationships from those described in the Company's audited Consolidated Financial Statements for the year ended December 31, 2025.

During the three and six months ended June 30, 2026, the Company issued 893,616 common shares approved by the shareholders of the Company at its Annual General and Special Meeting of Shareholders held on June 10, 2026 with an aggregate fair value of $0.4 million to settle a portion of the LTI accrued liability, which was recognized in fiscal 2025 once the underlying targets were met. The remaining balance of the LTI accrued liability was settled in cash.

During the three and six months ended June 30, 2026, the Company did not enter into any new related-party transactions, and there were no related-party balances outstanding as at June 30, 2026.

## 13. DISAGGREGATED REVENUES

The Company's revenues are disaggregated by major category:

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| | **2026 $** | 2025 $ | **2026 $** | 2025 $ |
| Clinic revenue | **21,773** | 22,209 | **41,987** | 40,255 |
| Non-clinic revenue | **1,461** | 1,421 | **2,757** | 2,710 |
| **Total revenue** | **23,234** | 23,630 | **44,744** | 42,965 |

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.

The Company has two major customers that accounted for 88% of the Company's total revenue for the three and six months ended June 30, 2026 [two major customers represented 89% and 88% of the Company's total revenue for the three and six months ended June 30, 2025].

## 14. CONTINGENCIES

### 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 these Condensed Consolidated Interim Financial Statements. Management intends to defend the matters vigorously. The Company believes that no material exposure exists on the eventual settlement of such litigation.

## 15. DEFERRED TAX ASSET

On April 1, 2026, AIM Health Group Corp. and InMedic Corporation, both wholly owned subsidiaries of the Company, were amalgamated to continue as a single entity, AIM Health Group Corp. Following the amalgamation, AIM Health Group Corp. has unused tax loss carryforwards available from the year they originated to reduce future taxable income.

The Company recognized a deferred tax asset of $0.9 million during the three and six-month period related to unused tax losses expected to be utilized against future taxable income of AIM Health Group Corp. The amount recognized reflects the tax benefit expected to be realized from probable future taxable profits of AIM Health Group Corp. within the forecast period. In assessing recoverability, management considered the historical taxable income and income taxes paid by InMedic Corporation prior to the amalgamation, together with management's forecast of taxable profits from the business activities formerly carried on by InMedic Corporation, which now form part of AIM Health Group Corp.

The deferred tax asset has been measured using substantively enacted tax rates applied against the forecasted utilization of the losses. The recognition of the deferred tax asset resulted in deferred income tax recovery of $0.9 million for the three and six months ended June 30, 2026.