

HEALWELL AI INC.

**Condensed Interim Consolidated Financial Statements
For the Three and Nine Months ended September 30, 2025
(In Canadian Dollars)
(Unaudited)**

HEALWELL AI INC.
Condensed Interim Consolidated Statement of Financial Position
(In thousands of Canadian dollars, except per share amounts)
(Unaudited)

	Note	September 30, 2025	December 31, 2024
Assets			
Current assets			
Cash and cash equivalents		15,614	9,413
Accounts receivable	4	16,978	5,969
Contract assets	5	19,888	326
Related party receivable	7	232	-
Prepaid and other assets	6	7,531	2,351
Lease receivable	18	-	269
Assets classified as held for sale	8	18,226	-
		78,469	18,328
Non-current assets			
Property and equipment	9	913	793
Accounts receivable, non-current	4	2,339	-
Intangible assets	10	136,743	28,303
Right-of-use assets	18	4,456	4,122
Goodwill	11	78,878	67,143
Investment in equity securities	12	5,304	4,114
Call option and warrants	14	997	2,251
Deferred tax asset		957	-
Other assets	6	736	115
Lease receivable	18	-	366
		309,792	125,535
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	15	27,962	9,605
Acquisition related payables	16	63	6,596
Contingent consideration	17	1,562	1,940
Contract Liabilities	5	16,827	2,453
Related party loan	7	2,835	1,780
Lease liability	18	2,293	946
Debenture payable	19	19,459	-
Loan payable	20	1,335	-
Derivative Liability		5,404	-
Liabilities associated with assets classified as held for sale	8	14,419	-
		92,159	23,320
Long-term liabilities			
Related party loan	7	6,518	9,478
Deferred tax liabilities		4,680	6,511
Contingent consideration	17	26,252	2,555
Lease liability	18	3,792	5,237
Debentures payable	19	3,383	2,970
Loan payable	20	48,878	1,792
		185,662	51,863
Shareholders' equity			
Share capital	21	244,780	140,084
Convertible debenture options reserve		875	1,733
Share based payments reserve		26,125	17,291
Accumulated other comprehensive loss		(909)	(3)
Deficit		(150,557)	(95,218)
Equity attributable to HEALWELL AI Inc.		120,314	63,887
Non-controlling interest		3,816	9,785
		124,130	73,672
		309,792	125,535

They were signed on behalf of the Company by:

"Alexander Dobranowski" – President and Director

"Erik Danudjaja" – Director

HEALWELL AI INC.
Condensed Interim Consolidated Statement of Profit (Loss) and Comprehensive Income (Loss)

(In thousands of Canadian dollars, except per share amounts)

For the three and nine months ended September 30, 2025 and 2024

(Unaudited)

	Note	Three months ended September 30		Nine months ended September 30	
		2025	2024 ¹	2025	2024 ¹
Continuing operations					
Revenue					
Subscription, Support and Maintenance		21,014	3,310	45,699	7,318
Professional Services		9,214	3,378	24,851	5,600
Software License		126	-	1,037	-
Total revenue		30,354	6,688	71,587	12,918
Cost of revenue		13,844	2,850	31,940	5,801
Gross profit		16,510	3,838	39,647	7,117
Expenses					
General and administrative		8,187	5,539	23,049	14,088
Research and development		4,892	1,090	12,121	2,946
Sales and marketing		2,386	556	5,822	1,224
Share-based payments		3,148	3,237	10,169	4,420
Amortization of intangible assets		5,565	1,530	12,863	4,194
Depreciation of property equipment		192	68	465	204
Depreciation of ROU assets		732	65	1,276	186
Impairment charges		-	-	-	850
Operating expenses	23	25,102	12,085	65,765	28,112
(Loss) before other expense and taxes		(8,592)	(8,247)	(26,118)	(20,995)
Financing expenses	24	3,769	333	6,750	1,451
Effect of foreign exchange rate		1,927	-	644	-
Changes in fair value of call options	14	294	250	1,054	900
Changes in fair value of contingent consideration	17	804	150	2,901	150
Changes in fair value of investments		18	-	(1,198)	-
Changes in FV of derivative liability		488	-	(2,838)	-
Loss on fixed assets write off		-	-	-	228
Debt forgiveness		-	-	-	(7,863)
Liability extinguishment		-	-	-	(3,088)
		7,300	733	7,313	(8,222)
(Loss) before taxes from continuing operations		(15,892)	(8,980)	(33,431)	(12,773)
Income taxes expense (recovery)		106	(245)	(1,062)	(1,228)
(Loss) for the period on continuing operations		(15,998)	(8,735)	(32,369)	(11,545)
Net (loss) on discontinued operations, net of tax	8	(12,011)	(2,385)	(13,803)	(2,267)
Net (Loss) for the period		(28,009)	(11,120)	(46,172)	(13,812)
Other Comprehensive Income (Loss)					
Foreign currency translation of foreign operations		(1,472)	510	(906)	560
Net Comprehensive (Loss) for the period		(29,481)	(10,610)	(47,078)	(13,252)
Net (Loss) attributable to					
Non-controlling interests		(149)	(547)	(452)	(938)
Shareholders of HEALWELL AI Inc.		(27,860)	(10,573)	(45,720)	(12,874)
		(28,009)	(11,120)	(46,172)	(13,812)
Net Comprehensive (Loss) earnings attributable to					
Non-controlling interests		(149)	(547)	(452)	(938)
Shareholders of HEALWELL AI Inc.		(29,332)	(10,063)	(46,626)	(12,314)
		(29,481)	(10,610)	(47,078)	(13,252)
(Loss) per share attributable to HEALWELL AI Inc.					
Basic and diluted - Continuing operations		(0.07)	(0.05)	(0.13)	(0.09)
Basic and diluted - Discontinuing operations		(0.05)	(0.02)	(0.06)	(0.02)
Basic and diluted	27	(0.12)	(0.07)	(0.19)	(0.10)

See accompanying notes to the condensed interim consolidated financial statements.

¹ Certain comparative figures have been reclassified to conform to the current period's presentation. Refer to Note 30 – Reclassification of Prior Period Amounts for further details.

HEALWELL AI INC.
Condensed Interim Consolidated Statement of Changes in Equity

(In thousands of Canadian dollars, except per share amounts)

For the nine-months ended September 30, 2025 and 2024

(Unaudited)

	Note	Class A Subordinate Voting Shares	Share Capital	Convertible Debenture Option Reserve	Share- based Payment Reserve	Accumulated other comprehensive income	Deficit	Total attributable to equity shareholders	Non- Controlling interest	Total Equity	Class B Multiple Voting Shares
Balance-January 1, 2024		87,986,790	67,368	1,964	12,567	-	(69,249)	12,650	8,814	21,464	30,800,000
Net Income (loss) and comprehensive income (loss)		-	-	-	-	560	(12,874)	(12,314)	(938)	(13,252)	-
NCI adjustments for Polyclinic		-	-	-	629	-	324	953	(324)	629	-
Buyback of Polyclinic NCI Shares		-	-	-	1,305	-	-	1,305	(1,468)	(163)	-
Share based Payments	22	-	-	-	4,420	-	-	4,420	-	4,420	-
Shares issuance against release of services	21	850,000	2,057	-	(2,057)	-	-	-	-	-	-
Share issuance	21	14,815,000	18,751	-	-	-	-	18,751	-	18,751	-
Share issued for acquisition	21	30,004,211	35,765	-	-	-	-	35,765	-	35,765	-
Share issuance for settlement of RSUs and DSUs and options	21	263,750	198	-	(165)	-	-	33	-	33	-
Share issued against conversion of debentures	21	5,641,838	1,001	(284)	-	-	-	717	-	717	-
Share warrants	21	-	-	-	378	-	-	378	-	378	-
Exercise of warrants	21	26,318,088	9,737	-	(455)	-	-	9,282	-	9,282	-
Balance- September 30, 2024		165,879,677	134,877	1,680	16,622	560	(81,799)	71,940	6,084	78,024	30,800,000
Balance-January 1, 2025		168,829,039	140,084	1,733	17,291	(3)	(95,218)	63,887	9,785	73,672	30,800,000
Net Income (loss) and comprehensive income (loss)		-	-	-	-	(906)	(45,720)	(46,626)	(452)	(47,078)	-
Share based Payments	22	-	-	-	10,169	-	-	10,169	-	10,169	-
Share issuance	21	12,737,500	23,595	-	-	-	-	23,595	-	23,595	-
Acquisition of Orion Health	13	35,412,075	52,030	-	-	-	-	52,030	-	52,030	-
Acquisition of Pentavere	14	10,161,562	14,936	-	-	-	(9,619)	5,317	(5,517)	(200)	-
Share issuance for settlement of RSUs, PSUs, DSUs and Options	21	1,815,215	2,398	-	(2,398)	-	-	-	-	-	-
Share issued against conversion of debentures	21	25,771,090	4,383	(858)	-	-	-	3,525	-	3,525	-
Shares against issuance achievement of milestone	21	1,900,287	2,500	-	-	-	-	2,500	-	2,500	-
Shares warrants	21	-	-	-	1,144	-	-	1,144	-	1,144	-
Exercise of warrants	21	21,771,000	4,854	-	(81)	-	-	4,773	-	4,773	-
Balance- September 30, 2025		278,397,768	244,780	875	26,125	(909)	(150,557)	120,314	3,816	124,130	30,800,000

HEALWELL AI INC.

Consolidated Statement of Cash Flows

(In thousands of Canadian dollars, except per share amounts)

For the three and nine months ended September 30, 2025 and 2024 (Unaudited)

	Note	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Operating activities:			
Net loss for the period		(32,369)	(13,252)
Items not affecting cash:			
Depreciation and amortization		14,604	5,034
Deferred tax recovery		(1,062)	(1,359)
Net financing expense	24	6,750	1,436
Share based payments	22	10,169	4,420
Expected credit losses	4	(48)	(9)
Fair value changes in contingent consideration		2,901	150
Loss on foreign currency exchange rates		644	-
Impairment on right of use assets		-	850
Changes in fair value of investments		(1,198)	-
Changes in fair value of call options	14	1,054	900
Changes in fair value of derivative liability		(2,838)	-
Assets written off		-	230
Debt forgiveness		-	(7,863)
Interest paid		(3,121)	-
Liability extinguishment		(2,698)	(3,088)
Net Change in non-cash operating items:	25	(13,962)	(6,606)
Net cash flows used in operating activities from continuing operations		(21,174)	(19,157)
Net cash flows generated from operating activities from discontinued operations	8	1,082	21
Net cash flows used in operating activities		(20,092)	(19,136)
Investing activities			
Acquisition of subsidiaries, net of cash acquired		(71,790)	(9,447)
Buyback of Polyclinic NCI Shares		-	(625)
Investment in equity securities		-	(3,079)
Purchase of Intangible assets	10	(2,283)	(1,784)
Purchase of property and equipment	9	(456)	(37)
Net cash flows used in investing activities from continuing operations		(74,529)	(14,972)
Net cash flows generated from investing activities from discontinued operations	8	331	-
Net cash flows used in investing activities		(74,198)	(14,972)
Financing activities			
Proceeds from issuance of shares	21	23,595	19,119
Proceeds from Loan, net of issuance cost	20	48,833	-
Proceeds from debenture issuance, net of expenses		27,181	-
Advances from related parties-net		(3,326)	1,932
Proceeds from conversion of debentures	21	4,381	-
Proceeds from settlement of RSUs		-	33
Repayment of Promissory Note and loans		(3,576)	-
Proceeds from issuance of shares against exercise of warrants		4,855	9,282
Repayment to bank loan		(576)	-
Lease payments	18	(767)	(740)
Net cash flows generated from financing activities from continuing operations		100,600	29,626
Net cash flows used in financing activities from discontinued operations	8	(874)	-
Net cash flows generated from financing activities		99,726	29,626
Effect of currency translation on cash		761	560
Net increase (decrease) in cash and cash equivalents		6,201	(3,922)
Cash and cash equivalent at beginning of the period		9,413	19,162
Cash and cash equivalent at ending of the period		15,614	15,240

HEALWELL AI INC.

Notes to Condensed Interim Consolidated Financial Statements

(In thousands of Canadian dollars, except per share amounts)

For the three and nine months ended September 30, 2025 and 2024 (Unaudited)

NATURE OF BUSINESS AND BASIS OF OPERATION

1. REPORTING ENTITY

HEALWELL AI INC. ("HEALWELL") is a company federally incorporated under the Canada Business Corporations Act. The Company's Class A Subordinate Voting Shares ("Subordinate Voting Shares") trade on the Toronto Stock Exchange (the "TSX") under the symbol AIDX.

The condensed interim consolidated financial statements of HEALWELL as at and for the three- and nine-months periods ended September 30, 2025, and September 30, 2024, comprise HEALWELL and its direct and indirect subsidiaries (together referred to as the "Company"). The Company provides:

- AI-driven healthcare information analytics and insights through its Pentavere Research Group Inc. ("Pentavere") and Mutuo Health Solutions Inc. ("Mutuo") subsidiaries.
- Technology-enabled rare disease screening through its Khure Health Inc. ("Khure") subsidiary.
- Subscription-based "Healthcare Software" information software through its Intrahealth Systems Limited ("Intrahealth") and VeroSource Solutions Inc. ("VeroSource") subsidiaries.
- Comprehensive healthcare IT solutions, including electronic health records and interoperability platforms, through its Orion Health Holdings Limited ("Orion Health") subsidiary.

The head office and principal address of the Company are located at 460 College Street, Unit 301, Toronto, Ontario, M6G 1A1. The records office of the Company is located at 22 Adelaide St. W., Unit 3600, Toronto, Ontario, M5H 4E3.

2. BASIS OF PRESENTATION

a) Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, and using the same accounting policies as those applied in the Company's audited consolidated financial statements for the year ended December 31, 2024 prepared in accordance with IFRS Accounting Standards, except as described below. These condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements, including the notes thereto, for the year ended December 31, 2024.

These condensed interim consolidated financial statements for the period ended September 30, 2025, were approved by the Board of Directors and authorized for issuance on October 30, 2025.

b) Foreign Currency Translation

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

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

c) Use of estimates and judgements

The preparation of condensed interim consolidated requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

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

HEALWELL AI INC.

Notes to Condensed Interim Consolidated Financial Statements

(In thousands of Canadian dollars, except per share amounts)

For the three and nine months ended September 30, 2025 and 2024 (Unaudited)

3. MATERIAL ACCOUNTING POLICIES

The preparation of these condensed interim consolidated financial statements is based on accounting principles and practices consistent with those used in the preparation of the Company's audited consolidated financial statements for the year ended December 31, 2024, except as noted below.

As a result of the Orion Health acquisition during the nine-month period ended September 30, 2025, the Company has revised certain accounting policies to reflect the nature of Orion Health's operations. The revised accounting policies outlined below differ from those disclosed in the December 31, 2024 annual consolidated financial statements and are applied prospectively from the date of acquisition.

Revenue Recognition

Revenue represents the amount the Company expects to receive from products and services in its contract with customers, net of discounts and sales taxes. The Company currently reports revenue under four categories: Software License, Professional Services, Subscription, Support and Maintenance, and Clinical and Other revenue. Software license revenue comprises non-recurring license fees charged for the use of software products licensed under multiple-year or perpetual arrangements. Professional Services revenue includes fees for implementation services, customer programming, product training, select managed services, consulting, and AI and Data Science Services. Subscription, Support and Maintenance primarily consists of fees charged for customer support on software products post-delivery, subscription and renewable licenses, managed services associated with software sold to the customer and hosted software as a service products. Clinical and Other revenue is generated through full-service early-stage Bioanalysis and Phase I-IV clinical research and through the Company's medical clinics, telehealth, and virtual care platforms.

Multiple arrangement service contracts

The Company often enters into contracts with customers that involve the delivery of multiple services or product solutions. Where multiple services are sold in a single arrangement, revenue is recognized in relation to each distinct good or service. A good or service is distinct where, amongst other criteria, a customer can benefit from it on its own or together with other resources that are readily available. Revenue is allocated to each distinct product or service in proportion to its stand-alone selling price and recognized when, or as, control is transferred to the customer.

Agent/Principal

The Company has arrangements involving subcontracting all or parts of their support services and managed services contracts. When applicable, assessments are made at the individual contract level, and revenue is recorded as either gross (principal) or net (agent) of subcontractor costs. The Company engages third-party service providers to deliver broader omnichannel healthcare access services. Where the Company does not control the service prior to transfer to customers, does not bear clinical or operational risk, and has no pricing discretion, the Company is considered to be an agent and the revenue is recorded net of subcontractor costs.

Nature of Product and Services

Perpetual on-premise licenses are valid in perpetuity and are billed in one lump sum up front or over an agreed period of time. Revenue from the license of distinct software is recognized at the time that both the right-to-use the software has commenced and the software has been made available to the customer. Revenue from perpetual licenses of software that involves complex implementation or customization that is not distinct, is recognized as a combined performance obligation using the percentage-of-completion method based on labour hours. The percentage-of-completion method based on labour hours required the company to make significant judgements to determine the estimated hours to completion which affects the timing of revenue recognized.

Professional Services revenue is generated from software installation, implementation, training, and customization, managed services and AI and Data Science services such as developing AI-enabled algorithms, data lake reports and other specialized services. Contracts for these services are structured as follows:

- Time and Material – Revenue is recognized as such services are performed and based on agreed-upon charge rates with customers.
- Fixed Price Contracts – Revenue is recognized by the stage of completion of the performance obligation determined using the percentage of completion method if the contracts are fixed price. Labour hours are used to measure the progress of the contracts.

HEALWELL AI INC.

Notes to Condensed Interim Consolidated Financial Statements

(In thousands of Canadian dollars, except per share amounts)

For the three and nine months ended September 30, 2025 and 2024 (Unaudited)

Subscription, Support and Maintenance is generated from both the Healthcare Software and AI and Data Science segments and consists of the following:

- Maintenance and support fees charged for customer support, unscheduled and unspecified software updates on software products. Revenue is recognized ratably over the term of the agreement, commencing from the date the maintenance term begins.
- Subscription-based licenses that include the right to access the software for a given term, technical support, and maintenance services. Revenue is recognized ratably over the term of the agreement, commencing from the date the license term begins.
- The Company provides embedded professional support services through dedicated personnel who operate as part of the customer's team to support the implementation and optimization of the Company's software solutions. These services are delivered under time-based arrangements and recognized as revenue over time, in line with IFRS 15, based on the period of service provided. The personnel remain under Healwell's employment and direction throughout the engagement.
- Revenue from software-as-a-service (SaaS) arrangements, which provide customers with access to hosted software without transferring control of the underlying software, is recognized on a subscription basis. Revenue from these subscriptions, including access to the hosted software and related maintenance, is recognized ratably over the subscription term. Where customers make significant upfront payments during the initial subscription term, such amounts are recognized ratably over the expected renewal periods, up to the estimated useful life of the software.

The timing of revenue recognition often differs from contract payment schedules, resulting in revenue being earned but not billed. These amounts are included in contract assets. Amounts billed in accordance with customer contracts, but not yet earned, are recorded and presented as part of contract liabilities.

4. ACCOUNTS RECEIVABLE	September 30, 2025	December 31, 2024
Accounts receivable consists of the following:		
Trade receivables -Clinical Research & Patient services	-	1,550
Trade receivables – AI & Data sciences	1,906	2,519
Trade receivables - Healthcare Software	19,512	2,024
Accrued receivables – Others	-	66
Expected Credit Losses (Specific Provision)	(4,239)	-
Expected credit losses	(201)	(190)
Accounts receivable - current	16,978	5,969
Accounts receivable - non-current	2,339	-
	19,317	5,969

The change in the allowance for expected credit losses are as follows:

As at January 1	190	25
Changes from acquisitions during the period	4,298	153
Expense of provision for expected credit losses- continuing operations	(48)	12
Expense of provision for expected credit losses- discontinuing operations	-	-
	4,440	190

The Company applies IFRS 9 to account for expected credit losses (ECL) on trade and accrued receivables using both specific and general provisions:

- A specific provision of \$4,239 (December 31, 2024 – \$nil) has been recognized for certain customers with elevated credit risk due to prolonged aging and collection uncertainty.
- A general provision of \$201 (December 31, 2024 – \$190) reflects lifetime ECL on the remaining receivables portfolio, using a simplified approach to measure lifetime expected credit losses.

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(In thousands of Canadian dollars, except per share amounts)

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The ECL provisions are reviewed regularly based on updated credit risk assessments.

5. CONTRACT ASSETS/(LIABILITIES)

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

	September 30, 2025	December 31, 2024
Contract assets	19,888	326
Contract Liabilities	(16,827)	(2,453)
Net positions	3,061	(2,127)

6. PREPAID AND OTHER ASSETS

	September 30, 2025	December 31, 2024
Prepaid expenses	5,161	1,119
Harmonized Sales Tax (HST)	2,317	1,082
Others	789	265
	8,267	2,466
Less: current portion	(7,531)	(2,351)
	736	115

7. RELATED PARTY BALANCES AND TRANSACTIONS

The following related parties have engaged in transactions with the Company:

- WELL Health Technologies Corp. (WELL) – has common directors with the Company and is a significant/controlling shareholder of the Company.
- HEALWELL management and board members.
- McCrae Limited – related party due to its association with the Orion Health acquisition and the involvement of Ian McCrae, who serves on the Board of Directors of the Company.

a) Related party balances	Note	September 30, 2025	December 31, 2024
WELL Health Technologies Corp			
Debenture payable	19	-	2,996
Operating loan payable		2,063	676
Deferred Consideration - Intrahealth		642	642
Convertible principal promissory note including accrued interest		5,600	5,300
Holdback – Intrahealth		606	606
Holdback – MCI Alberta		(150)	(150)
Related parties of Intrahealth			
Operating loan payable		130	462
Management and Board members			
Debenture payable	19	462	726
		9,353	11,258
Total current portion		(2,835)	(1,780)
Non-current portion payables		6,518	9,478
Related parties of Orion Health			
Operating loan receivable - current		(232)	-

HEALWELL AI INC.

Notes to Condensed Interim Consolidated Financial Statements

(In thousands of Canadian dollars, except per share amounts)

For the three and nine months ended September 30, 2025 and 2024 (Unaudited)

b) Related party transactions

The Company has engaged in the following transactions with related parties:

	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
WELL Health Technologies Corp.				
Interest on loan advances	-	-	-	637
Debt forgiveness	-	-	-	(7,863)
Transition services	445	394	829	917
Interest on debentures	43	121	223	363
Interest on promissory notes	100	120	300	180
Management and Board members	-	-	-	-
Interest on debentures payable	21	38	80	114
Transition services	171	-	(232)	-

Related party transactions are incurred in the normal course of operations and are recorded at the contractual amounts between the related parties which approximates fair value.

8. Assets Held for Sale and Discontinued Operations

As part of the Company's strategic plan to focus on Healthcare Software and AI & Data Science, the Company approved the divestiture of its Clinical Research & Patient Services (the "Clinical Operations") segment, which includes Biopharma Services Inc ("Biopharma"), Canadian Phase Onward ("CPO"), MCI Polyclinic Group Inc. ("MCI Polyclinic"), the Quit Clinic and North York Pulmonary Function Test Centre ("NYPFC").

On September 2, 2025, Healwell signed letters of intent with WELL and certain of its subsidiaries for the sale of MCI Polyclinic and its subsidiaries, Quit Clinic and NYPFC, and the contribution of CPO and Biopharma into a new joint venture (WELL Research LP). The transactions closed on November 1, 2025 (see Subsequent Events, below).

Accordingly, the assets and liabilities of the Clinical Operations segment have been classified as held for sale as at September 30, 2025 and the results presented as discontinued operations in the consolidated financial statements.

On reclassification to assets held for sale, the disposal group was measured at the lower of its carrying amount and fair value less costs to sell. Based on management's assessment and expected sale proceeds of approximately \$4,200, less estimated selling costs of \$200, the fair value less costs to sell off the disposal group was determined to be \$4,160. The carrying amount of the disposal group's net assets prior to impairment was \$14,457, resulting in an impairment loss of \$10,297 recognized during the three months ended September 30, 2025. The impairment has been fully allocated against goodwill. The impairment loss has been recorded within "Operating expenses" in the Net (loss) on discontinued operations in the consolidated statement of (loss) and comprehensive (loss).

The tables below present the results of the Clinical Operations segment for the three and nine months ended September 30, 2025 and 2024. The results for the nine months ended September 30, 2024 also include the operations of Executive Medical Concierge Canada ("EMC"), which was disposed of in June 2024.

HEALWELL AI INC.

Notes to Condensed Interim Consolidated Financial Statements

(In thousands of Canadian dollars, except per share amounts)

For the three and nine months ended September 30, 2025 and 2024 (Unaudited)

	3 Months Ended September 30, 2025	3 Months Ended September 30, 2024
	\$ in "000"	\$ in "000"
Clinical and other revenue	7,513	7,053
Cost of Revenue	(5,662)	(5,001)
Operating expenses	(13,609)	(4,375)
Loss before other expense (income) and taxes	(11,758)	(2,323)
Financing expenses	305	50
Loss before taxes	(12,063)	(2,373)
Income tax	52	(12)
Net comprehensive loss for the period	(12,011)	(2,385)
Net Comprehensive Income (Loss) earnings attributable to		
Shareholders of HEALWELL AI Inc.	(12,011)	(2,385)
Non-controlling interests	-	-
Loss per share attributable to		
Shareholders of HEALWELL AI Inc.	(0.05)	(0.02)
Non-controlling interests	-	-
	9 Months Ended September 30, 2025	9 Months Ended September 30, 2024
	\$ in "000"	\$ in "000"
Clinical and other revenue	20,884	11,320
Cost of Revenue	(14,382)	(7,911)
Operating expenses	(20,618)	(5,249)
Loss before other expense (income) and taxes	(14,116)	(1,840)
Financing expenses	441	113
(Gain) loss on disposal of subsidiary	-	78
Loss before taxes	(14,557)	(2,031)
Income tax	754	(236)
Net comprehensive loss for the period	(13,803)	(2,267)
Net Comprehensive Income (Loss) earnings attributable to		
Shareholders of HEALWELL AI Inc.	(13,803)	(2,267)
Non-controlling interests	-	-
Loss per share attributable to		
Shareholders of HEALWELL AI Inc.	(0.06)	(0.02)
Non-controlling interests	-	-

HEALWELL AI INC.

Notes to Condensed Interim Consolidated Financial Statements

(In thousands of Canadian dollars, except per share amounts)

For the three and nine months ended September 30, 2025 and 2024 (Unaudited)

	As at September 30, 2025
ASSETS	
Current assets	
Cash and cash equivalents	2,235
Accounts receivable	2,040
Unbilled revenue	548
Prepaid and other assets	685
Lease receivable	404
	5,912
Non-current assets	
Property, plant and equipment	298
Intangible assets	3,205
Goodwill	5,292
Right-of-use assets	3,102
Other assets	52
Lease receivable	365
Assets classified as held for sale	18,226
LIABILITIES	
Current liabilities	
Accounts payable and accrued liabilities	3,700
Deferred revenue	4,957
Current portion of lease liability	3,005
	11,662
Long Term Liabilities	
Long Term lease liability	1,362
Deferred tax liabilities	(572)
Contingent consideration	1,967
Net liabilities directly associated with Assets classified as held for sale	14,419

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Cashflows from discontinued operations are as follows:		
Cash flows from operating activities	1,082	21
Cash flows from investing activities	331	-
Cash flows from financing activities	(874)	-
Net cash inflows	539	21

HEALWELL AI INC.

Notes to Condensed Interim Consolidated Financial Statements

(In thousands of Canadian dollars, except per share amounts)

For the three and nine months ended September 30, 2025 and 2024 (Unaudited)

9. PROPERTY AND EQUIPMENT

Property and equipment consist of the following:

a) Cost	Medical equipment	Furniture and Equipment	Leasehold Improvements	Total
Balance, December 31, 2023	314	3,262	3,501	7,077
Additions	29	62	-	91
Acquisition through business combination	379	147	290	816
Disposal	(29)	(464)	-	(493)
FX Translation Reserve	-	9	-	9
Balance, December 31, 2024	693	3,016	3,791	7,500
Additions	-	429	27	456
Acquisition through business combination (Note 13)	-	463	195	658
FX Translation Reserve	-	(35)	(14)	(49)
Reclassifications	(182)	182	-	-
Assets classified as held for sale	(511)	(2,262)	(3,034)	(5,807)
Balance, September 30, 2025	-	1,793	965	2,758
b) Accumulated Depreciation	Medical equipment	Furniture and Equipment	Leasehold Improvements	Total
Balance, December 31, 2023	277	2,774	3,495	6,546
Depreciation	166	202	28	396
Reclassifications	(32)	32	-	-
Disposal	-	(235)	-	(235)
Balance, December 31, 2024	411	2,773	3,523	6,707
Depreciation from continuing operations	-	348	117	465
Depreciation from discontinued operations	78	66	38	182
Reclassifications	(30)	30	-	-
Translation Reserve	-	-	-	-
Assets classified as held for sale	(459)	(2,243)	(2,807)	(5,509)
Balance, September 30, 2025	-	974	871	1,845
c) Carrying Amounts	Medical equipment	Furniture and Equipment	Leasehold Improvements	Total
Balance, December 31, 2024	282	243	268	793
Balance, September 30, 2025	-	819	94	913

10. INTANGIBLE ASSETS

Intangible assets consist of the following:

a) Cost	Customer Relationships	Non-Compete Contracts	Trademark	Software & Product Development	Total
Balance, December 31, 2023	10,500	-	1,050	10,616	22,166
Acquisition through business combination	9,016	303	-	11,518	20,837
Additions	-	-	-	1,221	1,221
Translation reserve	(11)	-	-	(33)	(44)
Balance, December 31, 2024	19,505	303	1,050	23,322	44,180
Additions	-	-	-	2,283	2,283
Acquisition through business combination (Note 13)	67,221	-	18,996	37,748	123,965
Translation reserve	(750)	-	(221)	(347)	(1,318)
Assets classified as held for sale	(4,929)	-	-	(54)	(4,983)
Balance, September 30, 2025	81,047	303	19,825	62,952	164,127
b) Accumulated Amortization	Customer Relationships	Non-Compete Contracts	Trademark	Software & Product Development	Total
Balance, December 31, 2023	4,763	-	9	4,888	9,660
Amortization	1,622	5	106	4,484	6,217
Balance, December 31, 2024	6,385	5	115	9,372	15,877
Amortization from continuing operations	5,241	24	1,033	6,565	12,863
Amortization from discontinued operations	422	-	-	-	422
Assets classified as held for sale	(1,724)	-	-	(54)	(1,778)
Balance, September 30, 2025	10,324	29	1,148	15,883	27,384

HEALWELL AI INC.

Notes to Condensed Interim Consolidated Financial Statements

(In thousands of Canadian dollars, except per share amounts)

For the three and nine months ended September 30, 2025 and 2024 (Unaudited)

c) Carrying Amounts	Customer Relationships	Non-Compete Contracts	Trademark	Software & Product Development	Total
Balance, December 31, 2024	13,120	298	935	13,950	28,303
Balance, September 30, 2025	70,723	274	18,677	47,069	136,743

The Company acquired \$ 123,965 of intangible assets, composed of customer relationships, trademark and software Intellectual property. The acquired customer relationship assets were valued with key inputs of revenue growth rates, customer attrition rates, and a discount rate determined using a capital asset pricing model and have an estimated useful life of 8 years. The acquired trademark was valued using the royalty method, incorporating assumptions around royalty rates benchmarked to comparable market transactions, forecast revenue attributable to the brand and a market-based discount rate with an estimated useful life of 10 years. The software intellectual property was valued incorporating assumptions around royalty rates, technology migration factor and a market-based discount rate with an estimated useful life of 8 years.

During the nine months ended September 30, 2025, the Company capitalized \$2,283 of development costs (December 31, 2024 – \$1,221). Intrahealth and Orion Health were the only subsidiaries that capitalized costs in the nine months ended September 30, 2025.

11. GOODWILL

a) Cost	Total
Balance, December 31, 2023	12,305
Additions through business combinations	59,342
Impairment	(4,513)
Effect of movements in exchange rates	9
Balance, December 31, 2024	67,143
Additions through business combinations (Note 13)	31,378
Effect of movements in exchange rates and other	(4,054)
Impairment	(10,297)
Assets classified as held for sale	(5,292)
Balance, September 30, 2025	78,878

For the nine months ended September 30, 2025, the Company has identified the following Cash Generating Units (CGU's) to which goodwill had been allocated, each of which was tested for impairment annually as at December 31 if applicable: (i) Pentavere, (ii) Mutuo , (iii) Intrahealth, (iv) VeroSource and (v) Orion Health.

The Company determined that there are no indicators of impairment on any of the CGUs at September 30, 2025 and therefore, management has not updated any of the impairment calculations.

	September 30, 2025	December 31, 2024
Polyclinic ¹	-	3,904
CPO ¹	-	283
Pentavere	8,120	8,120
Intrahealth	16,968	16,905
BioPharma ¹	-	14,390
VeroSource	19,269	19,269
Mutuo	4,190	4,272
Orion Health	30,331	-
	78,878	67,143

¹ Balances for Polyclinics (\$3,904), BPSI (\$11,756) and CPO (\$283) at December 31, 2024 were fully written down prior to their reclassification to assets held for sale during the three-month period ended September 30, 2025. The related impairment losses were recognized within discontinued operations prior to reclassification.

HEALWELL AI INC.

Notes to Condensed Interim Consolidated Financial Statements

(In thousands of Canadian dollars, except per share amounts)

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12. INVESTMENT IN EQUITY SECURITIES

The following table provides the carrying values of the Company's investments in financial assets measured at fair value through profit and loss as at September 30, 2025 and December 31, 2024. Financial asset investments include equity instruments that are measured at fair value through profit and loss (FVPL) in accordance with IFRS 9.

		September 30, 2025	December 31, 2024
Investment in Doctorly	12 (a)	-	636
Investment in Fund holding X.AI Securities	12 (b)	4,606	2,880
Investment in Future Vault Securities		350	250
Investment in Abstractive Health		348	348
		5,304	4,114

- 12(a) In 2023, the Company invested \$410 (US\$300) to acquire 2,341 shares, representing 1.16% of the outstanding shares of Doctorly GmbH ("Doctorly"). An additional investment of \$77 (US\$54) was made in 2024, increasing the Company's total holdings to 3,557 shares. Doctorly is engaged in the development and commercialization of a next-generation Electronic Health Record (EHR) system, primarily serving healthcare clinics in continental Europe, with a focus on Germany, through a Software-as-a-Service (SaaS) model.

On March 27, 2025, Doctorly filed for insolvency and entered the preliminary stages of a formal sale process. In June 2025, Doctorly was acquired by Fred Adv, a German healthcare software provider, through a 100% share transaction. As a result of the acquisition, the Company received cash proceeds of \$12, which were recognized in the consolidated statement of profit and loss during the quarter. The Company has assessed the fair value of its investment in Doctorly to be \$nil as at September 30, 2025 (December 31, 2024 – \$636), reflecting the divestment.

- 12(b) On May 9, 2024, the Company invested in Think 1st Principles the fund with the opportunity to realize the long-term appreciation from investments in the securities of X.AI Corp ("X.AI"). The Company invested \$2,752 (US\$2,000) to acquire an indirect interest in less than 1% total outstanding shares in X.AI which is an American startup company working in the area of artificial intelligence. In March 2025, X.AI acquired X (formerly Twitter) in an all-stock deal, valuing X.AI at \$80 billion and X at \$33 billion, deepening Grok integration. The fair value of the investment in X.AI therefore increased to \$4,606 as at September 30, 2025 (December 31, 2024 - \$2,880).

13. BUSINESS ACQUISITION

On April 1 2025, the Company acquired 100% of the shares of Orion Health, a global healthcare intelligence platform providing subscription licenses and services to marquee public sector clients with data interoperability and healthcare navigation products. The acquisition has been accounted for as a business combination with the Company consolidating 100% of the results of operations of Orion Health from the date of the acquisition. The assets and liabilities of Orion Health are included in the consolidated financial statements.

The purchase price for the acquisition included both cash and non-cash components. Consideration of \$86,185 was paid in cash. The non-cash components comprised of 35,412,075 Subordinate Voting Shares with a Fair Market Value (FMV) of \$52,030. The FMV of each share on April 1, 2025 was \$1.47. The non-cash component included a performance-based earnout of up to \$20,300 which has an estimated fair value of \$9,784 as at the acquisition date, payable over three years if Orion Health achieves Normalized EBITDA exceeding NZD 20,000 in each 12-month period. At the vendor's option, up to 50% of the earn-out may be settled in Class A Subordinate Voting Shares, valued using the 10-day volume-weighted average price (VWAP) prior to each payment date. In addition, the non-cash component includes 50% of the acquired tax losses utilized by Orion Health, with an estimated fair value of \$13,126 as at the acquisition date.

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

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Purchase price allocation	\$
Cash Consideration on closing	86,185
Issued shares (35,412,075 shares issued at \$1.47/share)	52,030
Contingent Consideration	22,910
	161,125
Cash and cash equivalents	14,395
Trade and other receivables	18,867
Contract and Other Assets	15,542
Deferred tax asset	35,355
Property, plant and equipment	658
Other Long Term Assets	1,664
Customer Relationships	67,221
Software Intellectual Property	37,748
Trademark	18,996
Right-of-use assets	4,059
Trade and other payables	(19,711)
Current income tax liabilities	(1,523)
Payroll and other Employee Liabilities	(4,466)
Current Portion of Lease liabilities	(2,283)
Deferred Revenue	(17,972)
Deferred Tax Liability	(34,711)
Non-Current Liabilities	(4,092)
Goodwill	31,378
	161,125

Orion Health is included in the Healthcare Software operating segment (Note 29). During the three- and nine-months period ended September 30, 2025, the Company incurred approximately \$nil and \$2,633 in acquisition and related costs (three and nine months ended September 30, 2024 - \$nil). These costs are included in 'General and Administration' in the condensed interim consolidated statement of profit (loss) and comprehensive income (loss). Since its acquisition on April 1, 2025, up to the period ended September 30, 2025, Orion Health contributed revenue of \$47,150 and net loss of \$4,125. The goodwill recorded on acquisition is largely reflective of potential to achieve growth over time, supported by underlying growth and expansion of the services we provide and markets we operate in. The goodwill recognized is not deductible for income tax purposes.

14. CALL OPTIONS

- i) On December 1, 2023, the Company entered into a shareholders agreement in connection with the acquisition of Pentavere, granting a 48-month call option to purchase all remaining securities from non-HEALWELL shareholders. The purchase price is based on a fair market value formula that varies over time, including fixed minimums and a multiple of Pentavere's trailing six-month gross profit, or if sufficient time has passed the purchase price is instead determined via a valuation process.

On July 14, 2025, the Company exercised its call option and acquired the remaining 49% of the issued and outstanding shares of Pentavere from the non-controlling shareholders for total consideration of \$14,937. The purchase price was settled through the issuance of 10,161,562 Subordinate Voting Shares at the closing share price of \$1.47 per share on July 14 2025. As a result of this transaction, Pentavere became a wholly owned subsidiary of the Company and the call option was derecognized (fair value of \$nil at September 30, 2025; December 31, 2024 – \$550). The transaction was accounted for as an equity transaction, as it represented a change in ownership interest without a loss of control. Accordingly, the non-controlling interest and call option were derecognized, and the difference between the fair value of the shares issued and the carrying value of the non-controlling interest was recognized directly to deficit.

- ii) The share purchase agreement between Mutuo and the Company included a call option to purchase the remaining ownership interest in Mutuo. The Company modeled the probability of exercising the call option and used the Black Scholes method to model the option itself to arrive at a fair value of \$796 as at September 30, 2025 (December 31, 2024 - \$1,500). During the period ended September 30, 2025, the change in fair value of \$704 (December 31, 2024 - \$nil) has been recognized in the statement of profit (loss) and comprehensive income (loss).

HEALWELL AI INC.

Notes to Condensed Interim Consolidated Financial Statements

(In thousands of Canadian dollars, except per share amounts)

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15. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	September 30, 2025	December 31, 2024
Trade & Other Payables	14,520	4,334
Income Tax Payables	1,978	373
Accrued Liabilities	11,390	4,824
Deposits	74	74
	27,962	9,605

16. ACQUISITION RELATED PAYABLES	September 30, 2025	December 31, 2024
Promissory notes	-	6,211
Holdback VeroSource	-	385
Holdback Mutuo	63	-
	63	6,596

In Q1 2025, the Company repaid a promissory note of \$3,576 related to the VeroSource acquisition, which was due on the six-month anniversary of closing. In Q3 2025, the Company entered into a settlement agreement with the vendor of Biopharma whereby a promissory note of \$2,879 was settled.

17. CONTINGENT CONSIDERATION	\$
Balance, December 31, 2023	260
Additions through business combination	6,815
Changes in Fair Value	(2,580)
Liabilities associated with assets classified as held for sale	-
Balance, December 31, 2024	4,495
Additions through business combination (Note 13)	22,910
Payments	(2,500)
Accretion	1,974
Changes in Fair Value	2,901
Liabilities associated with assets classified as held for sale	(1,966)
Balance, September 30, 2025	27,814
Current portion	(1,562)
Non-current portion	26,252

i) A portion of the total consideration for the acquisition of Khure, up to \$5,600 payable in Subordinate Voting Shares of the Company, of which \$3,600 had previously been paid, was subject to an earn-out arrangement based on post-acquisition revenue targets. In July 2023, the timeline to achieve the final milestone was extended to December 31, 2025. During the three-month period ended September 30, 2025, the Company settled the earn-out arrangement through the issuance of 1,900,287 Subordinate Voting Shares, with an aggregate deemed value of \$2,500. Following this settlement, no contingent consideration liability remains outstanding as at September 30, 2025 (December 31, 2024 – \$nil).

ii) The deferred purchase/earn-out contingent consideration amount for VeroSource represents the fair value of earn-out payments contingent upon the earnings of the business for the four-year period after the acquisition closing date and up to 50% of the amount can be settled through Subordinate Voting Shares. The determination of the fair value of deferred purchase/earn-out is based on the profitability outcomes of VeroSource during the earnout period. During the three and nine months ended September 30, 2025, the change in fair value of contingent consideration of \$379 and \$331 has been recognized in the statement of profit (loss) and comprehensive income (loss).

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- iii) As part of the Orion Health acquisition, the Company recognized a contingent consideration/earn-out of \$22,911, which was recorded as part of the purchase price allocation and recognized against goodwill. This contingent consideration represents a three-year performance-based earn-out, with up to 50% of the amount payable, at the vendor's option, in shares based on the 10-day volume-weighted average price (VWAP) of the shares prior to the applicable payment date. The earn-out is contingent upon Orion Health's ability to achieve "Normalized EBITDA" (as defined in the purchase agreement) greater than \$16,500 for each 12-month period. In addition, the non-cash component includes 50% of the acquired tax losses utilized by Orion Health, with an estimated fair value of \$13,126 as at the acquisition date. During the three and nine months ended September 30, 2025, the change in fair value of contingent consideration of \$1,604 has been recognized in the statement of profit (loss) and comprehensive income (loss).

18. Leases

The estimated discount rate of the Company's leases was between 2.8% and 14%.

The Company's right of use assets as at September 30, 2025, and December 31, 2024, are as follows:

Cost	
Balance, December 31, 2023	10,221
Additions	2,849
Transferred to lease receivable	(394)
Balance, December 31, 2024	12,676
Additions	1,058
Additions through business combination (Note 13)	4,059
Effect of Translation	(51)
Disposals/Modification	(777)
Assets classified as held for sale	(4,814)
Balance, September 30, 2025	12,151
Accumulated depreciation	
Balance, December 31, 2023	7,019
Depreciation	685
Impairment	850
Balance, December 31, 2024	8,554
Amortization from continuing operations	1,276
Amortization from discontinued operations	383
Disposals/Modification	(763)
Effect of Translation	(43)
Assets classified as held for sale	(1,712)
Balance, September 30, 2025	7,695
Net book value as at:	
December 31, 2024	4,122
September 30, 2025	4,456

The Company's lease liability and lease receivable as at September 30, 2025, and December 31, 2024, are as follows:

	September 30, 2025	December 31, 2024
Lease liability – current	2,293	946
Lease liability – non-current	3,792	5,237
Total Lease liability	6,085	6,183
	September 30, 2025	December 31, 2024
Lease receivable – current	-	269
Lease receivable – non-current	-	366
Total Lease liability	-	635

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Lease Liability

The movement in the lease liability as at September 30, 2025 and December 31, 2024 is broken out as follows:

	Note	September 30, 2025	December 31, 2024
Balance - Beginning		6,183	5,274
Lease modification		600	-
New Leases		978	-
Business combination		5,003	3,159
Interest expense from continuing operations		310	167
Interest expense from discontinued operations		76	19
Termination		(203)	(1,268)
Effect of Translation		13	-
Lease cash payments		(2,508)	(1,168)
Liabilities associated with assets classified as held for sale		(4,367)	-
Balance - Ending		6,085	6,183

The maturity analysis of lease liabilities at September 30, 2025, is as follows:

Minimum lease payments due	< 1 year	2 – 5 years	>5 years	Total
Lease payments	2,589	3,532	585	6,706
Finance charges	(298)	(283)	(40)	(621)
Lease liabilities	2,291	3,249	545	6,085

Lease receivable

The movement in the lease receivable at September 30, 2025 and December 31, 2024 is broken out as follows:

	September 30, 2025	December 31, 2024
Balance-Beginning	634	375
Additions	-	342
Modification	339	112
Interest income from discontinued operations	23	43
Lease cash recoveries	(227)	(237)
Assets classified as held for sale	(769)	-
Balance - Ending	-	635

19. DEBENTURE PAYABLE

		September 30, 2025	December 31, 2024
Balance as at January 1,		6,691	6,217
Debenture issuance		17,795	-
Accrued interest		2,340	1,190
Converted into shares		(3,522)	(716)
Balance - Ending		23,304	6,691
Liability component		23,304	6,691
Reclass to Debenture payable to WELL Health Technologies Corp	7	-	(2,995)
Reclass to Debenture payable to Management and Board member	7	(462)	(726)
Total		22,842	2,970
Current portion		(19,459)	-
Non-current portion		3,383	2,970

The debentures issued on October 1, 2023 (the "2023 Debentures") bear interest at a rate of 10% per annum and mature 5 years from their date of issuance. The principal and interest outstanding under the 2023 Debentures are convertible into Subordinate

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Voting Shares at \$0.20/share, and for every \$1 of debentures purchased, subscribers also received 5 warrants for Subordinate Voting Shares exercisable at \$0.20/share.

As the conversion feature results in the conversion of a fixed amount of stated principal into a fixed number of shares, it satisfies the 'fixed for fixed' criterion and, therefore, it is classified as an equity instrument.

The Company receives a fixed amount of cash in exchange for issuing a predetermined number of equity shares with each warrant corresponding to one share. Warrants associated with the 2023 Debentures are classified as equity. The 2023 Debentures have 2 features – the debenture itself and the conversion feature. The fair value of the liability component, at inception was calculated using a market interest rate for an equivalent instrument without a conversion option. The discount rate applied was 20.5%. The 2023 Debentures are classified as a financial liability whereas the conversion feature is classified as equity.

In connection with the Orion Health acquisition, HEALWELL completed a series of financing transactions comprising a \$30,000 convertible debenture offering, a \$25,500 equity offering, and a \$50,000 senior credit facility. The equity financing offering was completed on January 21, 2025 and the convertible debenture offering was completed on January 28, 2025. In the convertible debenture offering, the Company initially issued 30,000 subscription receipts with an aggregate principal amount of \$30,000 at a discounted purchase price of \$910 per receipt. Each receipt entitled the holder to \$1,000 principal amount of convertible debentures (the "2025 Debentures"), bearing interest at 10% annually, payable semi-annually on June 30 and December 31, starting from March 31, 2025, when the 2025 Debentures were issued following the conversion of the subscription receipts. The 2025 Debentures will mature on December 31, 2029.

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

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

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

20. LOANS

As at September 30, 2025 the Company was in compliance with all covenants in respect of its loan facilities.

Description	FEDDEV LOAN	BDC LOAN	SCOTIA LOAN	Total
Balance as at January 1, 2024	744	804	-	1,548
Acquired through business combination	-	239	-	239
Accretion	45	-	-	45
Repayments	-	(40)	-	(40)
Balance as at December 31, 2024	789	1,003	-	1,792
Drawdowns	106	-	49,500	49,606
Deferred financing cost	-	-	(667)	(667)
Accretion	8	81	-	89
Repayment/Settlements	-	(218)	(500)	(718)
Amortization of financing fees	-	-	111	111
Balance as at September 30, 2025	903	866	48,444	50,213
Current portion	153	182	1,000	1,335
Non-current portion	750	684	47,444	48,878

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- i) Pentavere has a loan payable from the Business Development Bank of Canada ("BDC") bearing interest at the lender's floating base rate plus 4.4% per annum, payable in monthly interest-only instalments, with principal being due in full on February 15, 2027. The loan is secured by a general security agreement over Pentavere's assets, assignment of directors' life insurance policies and postponement of claims from related parties. Pentavere also has an interest-free loan payable from the Federal Economic Development Agency (FEDDEV), payable in monthly installments. The loan will be fully repaid by December 15, 2030. Furthermore, Pentavere has access to a line of credit from CIBC, that was undrawn as at September 30, 2025. Pentavere has a Debt-to-Equity covenant that is tested annually and a liquidity covenant that is tested quarterly with BDC. Pentavere was in compliance with both covenants on September 30, 2025.
- ii) Mutuo has a loan payable from BDC bearing interest at the lender's floating base rate plus 2.0% per annum, payable in monthly interest-only instalments, with principal being due in full on August 1, 2028. The loan is secured by a general security agreement over Mutuo's assets.
- iii) On March 5, 2025, the Company entered into a credit agreement with a syndicate of lenders led by The Bank of Nova Scotia and including the Royal Bank of Canada, establishing senior secured credit facilities that consist of a \$30,000 revolving credit facility (including a \$5,000 swingline tranche), a \$20,000 non-revolving term facility and a \$1,000 credit card facility. Proceeds were used to finance the Orion Health acquisition, refinance existing debt, and fund general corporate purposes. The credit facilities mature on March 4, 2028.

The term facility is repayable in quarterly principal installments of \$250, with mandatory prepayments under specified conditions. Interest is calculated based on a tiered pricing grid tied to the Company's leverage ratio, with rates based on Prime, US Base Rate, CORRA, or SOFR. The facilities are secured by a first-ranking charge over all present and after-acquired property of Orion Health and its direct and indirect parents and subsidiaries. The agreement includes an accordion feature allowing for an increase in the revolving facility by up to \$25,000, subject to lender consent.

The Company is subject to customary covenants, including:

- A Total Leverage Ratio not exceeding 4:1 through September 30, 2025 (and 3.5:1 thereafter),
- A Fixed Charge Coverage Ratio of at least 1.15:1.

The Company was in compliance with both covenants on September 30, 2025.

21. SHARE CAPITAL

(a) Authorized:

The authorized share capital of the Company is an unlimited number of Class A Subordinate Voting Shares, an unlimited number of Class B Multiple Voting Shares ("Multiple Voting Shares") and an unlimited number of Preferred Shares.

(b) Issued :

	Class A Subordinate Voting Shares		Class B Multiple Voting Shares
	No. of Shares	Amount	
Balance – December 31, 2023	87,986,790	67,368	30,800,000
Share Issuances, net of share issuance costs	14,815,000	18,751	
Acquisition Related Share Issuances			
Intrahealth (at \$0.69 per share)	21,682,465	14,961	
VeroSource (at \$2.50 per share)	5,722,250	14,306	
BioPharma (at \$2.50 per share)	2,599,496	6,499	
Mutuo (at \$1.27 per share)	1,945,336	2,380	
Conversion of debentures	5,641,838	947	
Share warrant Exercises			
Broker warrants at			
Exercise price of \$0.75	699,801	889	
Exercise price of \$0.80	183,937	237	
Exercise price of \$1.80	287,500	518	
Bought Deal warrants at			
Exercise price of \$1.20	3,571,350	4,285	
Debenture warrants at			
Exercise price of \$0.20	22,010,000	4,402	
Settlement of RSU's, PSU's & DSU's	833,276	2,484	

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Other			
Release of service	850,000	2,057	
Balance – December 31, 2024	168,829,039	140,084	30,800,000
Issuance of Class A Subordinate Voting Shares against warrants exercised	21,771,000	4,854	
Share issued in exchange for achieving milestone ¹	1,900,287	2,500	
Issuance of Class A Subordinate Voting Shares for acquisition of Orion Health	35,412,075	52,030	
Issuance of Class A Subordinate Voting Shares for non-controlling interest of Pentavere	10,161,562	14,936	
Share issuance, net of share issuance costs	12,737,500	23,595	
Issuance of Class A Subordinate Voting Shares against conversion of debentures	25,771,090	4,383	
Issuance of Class A Subordinate Voting Shares against RSU, PSU & DSU and options	1,815,215	2,398	
Balance- September 30, 2025	278,397,768	244,780	30,800,000

(c) Warrants

The following table summarizes grants of share warrants issued as broker compensation for equity bought deal financings, debenture warrants as part of October 1, 2023 debenture financing and the warrants issued as part of December 2023, May 2024 and January 2025 bought deal equity financings:

Share Warrant Type & Date	Share Warrants Outstanding as at December 31, 2024	Exercise Price	Fair Value	Exercised	Net Outstanding as at September 30, 2025
Broker Warrants					
December 22, 2023	678,563	0.80	0.49	164,500	514,063
May 22, 2024	586,677	1.35	1.10	-	586,677
May 22, 2024	7,120,000	1.80	1.01	-	7,120,000
January 21, 2025	453,750	2.08	1.34	-	453,750
January 28, 2025	455,000	2.40	1.18	-	455,000
Bought Deal Warrants					
December 22, 2023	3,616,150	1.20	0.52	321,500	3,294,650
January 21, 2025	6,368,750	2.50	0.02	-	6,368,750
Debenture Warrants					
October 1, 2023	27,990,000	0.20	0.20	21,285,000	6,705,000

The fair value of each warrants issued was estimated at the time of issuance using the Black-Scholes model. Black-Scholes is a pricing model used to determine the fair price or theoretical value for a warrants based on the following weighted assumptions at the respective measurement date:

	2025	2024
Risk free rate	4.05%	4.15%
Expected life (years)	2	2
Volatility	124.01%	121.51%
Underlying stock price	\$1.72-\$1.86	\$1.65
Strike price	\$1.18-\$1.34	\$1.35 - \$1.80

¹ The Company settled the final earn-out arrangement during the three-month period ended September 30, 2025, through the issuance of 1,900,287 Class A Subordinate Voting Shares with an aggregate deemed value of \$2,500, based on the achievement of post-acquisition revenue targets.

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22. SHARE BASED PAYMENT ARRANGEMENTS

September 30, 2025			
Exercise price	Number of share options outstanding ('000)	Number of share options exercisable ('000)	Weighted average remaining contractual life (years)
\$0.69	1,588	978	3.00
\$1.36	81	81	1.52
\$1.92	100	100	3.92
\$2.39	820	273	3.59
\$1.42	100	-	3.50
	2,689	1,432	
December 31, 2024			
Exercise price	Number of share options outstanding ('000)	Number of share options exercisable ('000)	Weighted average remaining contractual life (years)
\$0.69	1,595	984	4.25
\$1.36	81	81	1.30
\$1.92	100	100	1.92
\$2.39	820	-	2.39
	2,596	1,165	3.57
		Number of options ('000)	Weighted average exercise price
Options Outstanding – December 31, 2023		2,259	\$0.76
Options Granted		920	\$2.34
Options Forfeited		(196)	\$3.10
Options Settled		(386)	\$3.00
Options Outstanding – December 31, 2024		2,597	\$4.46
Options Granted		100	\$1.42
Options Forfeited		-	-
Options Settled		(6)	\$0.69
Options Outstanding – September 30, 2025		2,691	\$ 4.36

(b) DSUs, RSUs and PSUs

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

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

Net outstanding Share based payments by type September 30, 2025	No. of shares	Vested
PSUs		
Grants in 2023	858,334	108,332
Grants in 2024	297,917	10,416
Grants in 2025	4,955,988	59,476
Total PSUs	6,112,239	178,224

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RSUs		
Grants in 2023	971,667	174,998
Grants in 2024	1,680,065	812,082
Grants in 2025	5,806,325	184,359
Total RSUs	8,458,057	1,171,439
DSUs		
Grants in 2024	43,947	43,947
Total DSUs	43,947	43,947
Total No. of Shares	14,614,243	1,393,610

23. OPERATING EXPENSES BY NATURE	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Salaries and other short-term employee benefits	10,978	2,318	26,777	6,587
Research and development Costs	131	199	416	526
Sales and marketing Costs	1,209	120	2,186	148
Office expenses	1,124	657	4,027	1,913
Insurance	403	138	1,003	403
Technology and communication expenses	644	255	1,353	720
Stock compensation	3,148	3,237	10,169	4,420
Public company expenses	274	2,394	1,654	4,887
Depreciation of property equipment	192	68	465	204
Depreciation of ROU assets	732	64	1,276	186
Amortization of intangible assets	5,565	1,530	12,863	4,194
Impairment of ROU	-	-	-	850
Travelling expenses	197	180	638	460
Acquisition and other related expenses	308	514	2,980	1,569
Wages subsidies and grants	-	-	(276)	-
Others	197	411	234	1,045
Expenses from continuing operations	25,102	12,085	65,765	28,112

24. FINANCING EXPENSE	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Financing expenses consist of the following:				
Interest on lease liabilities	201	15	310	43
Interest income	(164)	(137)	(255)	(483)
Interest on debentures payables	1,256	290	2,681	596
Interest on related party loan	121	-	523	-
Interest accretion on contingent liabilities	1,691	-	1,974	-
Interest, bank charges and fees	664	165	1,517	1,295
Financing from continuing operations	3,769	333	6,750	1,451

25. NET CHANGE IN NON-CASH OPERATING ITEMS

The change in non-cash working capital items consists of the following:

	September 30, 2025	September 30, 2024
Accounts receivable	6,348	(810)
Other assets	(5,149)	(3,162)
Accounts payable and accrued liabilities	(7,539)	(2,634)
Deferred revenue	(3,598)	-
Unbilled Receivables	(4,024)	-
Total changes in non-cash operating items	(13,962)	(6,606)

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26. CONTINGENCIES

During the year ended December 31, 2024, HEALWELL filed two notices of objections ("NOO") for the month of December 2022 against GST/HST payable of \$181 and for the period June 1, 2022 to March 31, 2024 against GST/HST payable of \$1,209. The NOO's have not been heard and it is too early to make a determination whether the GST/HST dues are payable to CRA. If the Company loses in its appeal, both the amounts would be payable to CRA.

CRA has issued a notice for GST/HST audit on MCI Medical Clinics Inc., a subsidiary of the Company, for the period January 1, 2021 to April 30, 2024. The audit is in a preliminary stage in which details are being provided to the CRA auditor. It is too early to make a determination whether any GST/HST dues are payable to CRA.

27. EARNINGS PER SHARE

	Three months ended September 30		Nine Months ended September 30	
	2025	2024	2025	2024
Net loss attributable to Company shareholders:				
Continuing Operations	(15,849)	(8,188)	(31,917)	(10,607)
Discontinued Operations	(12,011)	(2,385)	(13,803)	(2,267)
	(27,860)	(10,573)	(45,720)	(12,874)
Weighted average number of Subordinate Voting Shares	237,817,018	151,268,099	237,973,251	124,612,438
Basic and diluted loss per share-Continuing operations	(0.07)	(0.05)	(0.13)	(0.09)
Basic and diluted loss per share-Discontinued operations	(0.05)	(0.02)	(0.06)	(0.02)
Basic and diluted loss per share	(0.12)	(0.07)	(0.19)	(0.10)

28. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company is exposed to various risks through its financial instruments. Management identifies, evaluates, and monitors these risks through established policies approved by the Board of Directors. The following analysis provides a summary of the Company's exposure to and concentrations of risk at September 30, 2025:

a) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause financial loss for the other party by failing to discharge an obligation. The Company's main credit risks relate to its accounts receivable, lease receivable and contract assets. Accounts receivables and contract assets consist of a large customer base in various geographical areas and the Company's trade receivables and contract assets are not exposed to any significant credit exposure to any single counterparty or group of counterparties having similar characteristics. The Company's lease receivable are also well diversified among a range of corporations, individual patients and tenants.

b) Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The Company is primarily exposed to foreign currency risk and interest rate risk.

Foreign currency risk

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

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

	NZD CAD	AUD CAD	GBP CAD	USD CAD	EUR CAD	AED CAD
As at September 30 2025						
Cash and cash equivalents	1,230	1,688	1,845	2,152	583	35
Trade receivables	3,296	306	2,773	8,010	510	-
Trade payables	(1,241)	(208)	(375)	(5,231)	(295)	(13)
Net exposure	3,285	1,786	4,243	4,931	798	22

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The following table summarises the sensitivity of profit and loss and equity with regards to the Company's financial assets and financial liabilities affected by Foreign Currency/CAD exchange rate with all other aspects being equal. It assumes a +/-10% change in the CAD to the currency exchange rate for the period ended September 30, 2025 (2024: 10%).

	NZD CAD	AUD CAD	GBP CAD	USD CAD	EUR CAD	AED CAD
As at September 30, 2025						
10% strengthening in CAD	2,987	1,624	3,858	4,483	726	20
10% weakening in CAD	3,527	1,885	4,715	5,451	887	25

Interest rate risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk with respect to its credit facilities. At September 30, 2025 the amounts outstanding are as follows: \$48,444 (December 31, 2024 - \$nil) from the Scotia credit facility and \$866 (December 31, 2024 - \$1,003) from BDC.

If interest rates increased/decreased by 50 basis points and all other variables were held constant, the Company's net loss for the three months ended September 30, 2025, would have increased/decreased by \$55 (December 31, 2024 - \$5).

c) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages this risk by managing its working capital and ensuring that sufficient credit is available. The following are the contractual maturities of financial liabilities based on undiscounted cash flows as at September 30, 2025:

	September 30, 2025		
	< 1 year	2 – 5 years	Over 5 years
Lease payments	2,589	3,532	584
Accounts payable and accrued liabilities	27,962	-	-
Acquisitions related payables	63	-	-
Loan payable	1,000	49,463	-
Related party loan	2,835	6,518	-
Derivative liability	5,404	-	-
Debenture payable	30,000	4,455	-
Liability for contingent consideration	4,025	44,253	-
	73,877	108,221	584

The Company's liquidity position has strengthened as of the period ended September 30, 2025 as the Company has cash of \$15,614 as at September 30, 2025 (December 31, 2024 - \$9,413).

The company expects to be able to meet its obligations as they become due in the normal course of business for at least the next twelve months from September 30, 2025.

d) Fair Value

The categories within the fair value hierarchy of the Company's financial instruments carried at fair value are as follows:

As at Asset/(Liability)	Level 1	Level 2	Level 3	September 30, 2025 Total
Call option and warrants	-	-	997	997
Investments in equity securities	-	-	5,304	5,304
Derivative liability	-	-	(5,404)	(5,404)
Contingent consideration	-	-	(27,814)	(27,814)

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As at Asset/(Liability)	Level 1	Level 2	Level 3	December 31, 2024 Total
Call option and warrants	-	-	2,251	2,251
Investments in equity securities	-	-	4,114	4,114
Contingent consideration	-	-	(4,495)	(4,495)

Valuation techniques and key inputs

Investments in equity securities (non-listed)	Recent comparable transactions, discounts for lack of marketability
Contingent consideration	Discounted cash flow method based upon the probability adjusted revenue of Khure, BioPharma and VeroSource, and the Company share price.
Call options	Black Scholes method, interest rates, volatility, dividend yield, Monte Carlo simulation, business plan parameters.
Derivative liability	Derivative liability is measured at fair value using a valuation model provided by FINCAD. The model incorporates inputs such as interest rates, volatility and dividend yields as well as contractual terms of the instrument.

There were no transfers of assets or liabilities in Q3 2025 (2024 - nil) between any levels within the fair value hierarchy.

29. SEGMENT REPORTING

The Company is organized into operating segments based on its product and service offerings. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

As a result of the discontinued operations (Note 8), the Company now has three reportable segments (1) AI and Data sciences, (2) Healthcare Software, (3) Healwell Corporate. The Company reviews on a regular basis, revenue, and gross profit, to assess the performance of the operating segments, and effective November 1, 2024, the Company revised its segment profit measure to also include Earnings before interest, tax, depreciation and amortization (EBITDA) to align with the internal metric that is provided to the chief operating decision-maker from that date forward. The previous year has been restated to reflect the current composition of reportable segments.

Three months Ended September 30, 2025				
	AI and Data Sciences	Healthcare Software	Healwell Corporate	Total
Subscription, Support and Maintenance	684	20,330	-	21,014
Professional Services	1,289	7,925	-	9,214
Software License	-	126	-	126
Clinical and other revenue	-	-	-	-
Total revenue	1,973	28,381	-	30,354
Cost of Revenue	1,116	12,728	-	13,844
Gross Profit	857	15,653	-	16,510
General and administrative	901	5,353	1,933	8,187
Research and development	650	4,242	-	4,892
Sales and marketing	303	2,057	26	2,386
Other costs	50	4,729	4,858	9,637
Total Operating Expenses	1,904	16,381	6,817	25,102
EBITDA	(1,027)	1,382	(6,721)	(6,366)
Total Assets	3,235	193,248	95,083	291,566

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Nine months Ended September 30, 2025				
	AI and Data Sciences	Healthcare Software	Healwell Corporate	Total
Subscription, Support and Maintenance	1,606	44,093	-	45,699
Professional Services	5,449	19,402	-	24,851
Software License	-	1,037	-	1,037
Clinical and other revenue	-	-	-	-
Total revenue	7,055	64,532	-	71,587
Cost of Revenue	2,812	29,128	-	31,940
Gross Profit	4,243	35,404	-	39,647
General and administrative	1,955	10,489	10,605	23,049
Research and development	1,904	10,217	-	12,121
Sales and marketing	889	4,873	60	5,822
Other costs	190	9,252	15,331	24,773
Total Operating Expenses	4,938	34,831	25,996	65,765
EBITDA	(598)	8,016	(20,771)	(13,353)
Total Assets	3,235	193,248	95,083	291,566

Three Months Ended September 30, 2024				
	AI and Data Sciences	Healthcare Software	Healwell Corporate	Total
Subscription, Support and Maintenance	150	3,160	-	3,310
Professional Services	952	2,426	-	3,378
Software License	-	-	-	-
Clinical and other revenue	-	-	-	-
Total revenue	1,102	5,586	-	6,688
Cost of Revenue	463	2,387	-	2,850
Gross Profit	639	3,199	-	3,838
General and administrative	178	1,189	4,172	5,539
Research and development	370	720	-	1,090
Sales and marketing	211	345	-	556
Other costs	37	20	4,843	4,900
Total Operating Expenses	796	2,274	9,015	12,085
EBITDA	(142)	945	(7,852)	(7,049)
Total Assets	2,527	7,665	97,039	107,231

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Nine Months Ended September 30, 2024				
	AI and Data Sciences	Healthcare Software	Healwell Corporate	Total
Subscription, Support and Maintenance	300	7,018	-	7,318
Professional Services	2,377	3,223	-	5,600
Software License	-	-	-	-
Clinical and other revenue	-	-	-	-
Total revenue	2,677	10,241	-	12,918
Cost of Revenue	1,236	4,565	-	5,801
Gross Profit	1,441	5,676	-	7,117
General and administrative	683	2,266	11,139	14,088
Research and development	1,209	1,696	41	2,946
Sales and marketing	638	583	3	1,224
Other costs	161	25	9,668	9,854
Total Operating Expenses	2,691	4,570	20,851	28,112
EBITDA	(1,159)	1,132	(6,897)	(6,924)
Total Assets	2,527	7,665	97,039	107,231

A reconciliation of net loss for the period to EBITDA for continuing operations is as follows:

	Three months ended		Nine months ended	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
EBITDA for continuing operations	(6,366)	(7,048)	(13,353)	(6,924)
Depreciation & amortization	(5,757)	(1,599)	(13,328)	(4,398)
Interest and financing expenses	(3,769)	(333)	(6,750)	(1,451)
Income taxes recovery	(106)	245	1,062	1,228
Net loss for the period for continuing operations	(15,998)	(8,735)	(32,369)	(11,545)

Geographical Regions

Nine months ended September 30, 2025			
	Canada	Australia & New Zealand	Total
Revenue	14,053	57,534	71,587
Total Assets	101,078	190,488	291,566

Nine months ended September 30, 2024			
	Canada	Australia & New Zealand	Total
Revenue	4,902	8,016	12,918
Total Assets	102,329	4,902	107,231

Geographical Regions

Three months ended September 30, 2025			
	Canada	Australia & New Zealand	Total
Revenue	4,438	25,916	30,354
Total Assets	101,078	190,488	291,566

Three months ended September 30, 2024			
	Canada	Australia & New Zealand	Total
Revenue	3,328	3,360	6,688
Total Assets	102,329	4,902	107,231

HEALWELL AI INC.

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30 RECLASSIFICATION OF PRIOR PERIOD AMOUNTS

In Q2 2025, Management disaggregated the reported revenue streams and reclassified specific cost categories to provide more insight into the different products and services of the Company, and to enhance the presentation and understandability of the Company's cost structure within the consolidated statement of comprehensive income.

These reclassifications had no impact on previously reported net loss or comprehensive loss. The table below shows the changes made for the relevant quarters of 2024 and 2025 and also shows the balances to reflect the recast associated with discontinued operations:

	Q1 - 2024			Q2 - 2024			Q3 - 2024			Q1 - 2025		
	(\$ in thousands)			(\$ in thousands)			(\$ in thousands)			(\$ in thousands)		
	Reported	Revised	Change \$	Reported	Revised	Change \$	Reported	Revised	Change \$	Reported	Revised	Change \$
Continuing operations												
Revenue												
Subscription, support and maintenance	-	1,588	1,588	-	2,420	2,420	-	3,310	3,310	-	3,604	3,604
Professional Services	-	1,160	1,160	-	1,062	1,062	-	3,378	3,378	-	3,963	3,963
Software License	-	-	-	-	-	-	-	-	-	-	417	417
Total revenue (1)	4,579	2,748	1,831	5,442	3,482	1,960	13,740	6,688	7,052	14,082	7,984	6,098
Cost of Revenue (2)	2,190	1,299	891	2,129	1,652	477	8,278	2,850	5,428	7,553	3,552	4,001
Gross profit	2,389	1,449	940	3,313	1,830	1,483	5,462	3,838	1,624	6,529	4,432	2,097
Operating Expenses												
General and administrative (3)	6,149	3,673	2,476	8,346	4,876	3,470	12,976	5,539	7,437	15,367	7,018	8,349
Research and development (4)	916	742	174	800	1,114	(314)	181	1,090	(909)	1,649	1,649	-
Sales and marketing (5)	760	300	460	1,503	368	1,135	2,875	556	2,319	1,108	484	624
Stock compensation (3)	-	481	(481)	-	702	(702)	-	3,237	(3,237)	-	3,367	(3,367)
Amortization of intangible assets (3)	-	1,716	(1,716)	-	2,004	(2,004)	-	1,530	(1,530)	-	1,741	(1,741)
Depreciation of property equipment (3)	-	62	(62)	-	74	(74)	-	68	(68)	-	53	(53)
Depreciation of ROU assets (3)	-	62	(62)	-	60	(60)	-	64	(64)	-	23	(23)
Operating expenses	7,825	7,036	789	11,499	10,047	1,452	16,032	12,085	3,948	18,124	14,335	3,789
Loss before other expense (income) and taxes	(5,436)	(5,587)	152	(8,186)	(8,216)	31	(10,570)	(8,247)	(2,324)	(11,595)	(9,903)	(1,692)
Financing expenses	673	654	19	622	464	158	541	333	208	1,322	1,246	76
Other Income	-	-	-	(159)	-	(159)	(158)	-	(158)	-	-	-
Changes in fair value of call options	400	400	-	250	250	-	250	250	-	211	211	-
Changes in fair value of contingent consideration	-	-	-	-	-	-	150	150	-	557	557	-
Changes in fair value of investments	-	-	-	-	-	-	-	-	-	641	641	-
Loss on fixed assets write off	-	-	-	-	228	(228)	-	-	-	-	-	-
Debt forgiveness	-	-	-	(7,863)	(7,863)	-	-	-	-	-	-	-
Liability extinguishment	-	-	-	(3,088)	(3,088)	-	-	-	-	-	-	-
Loss before taxes	1,073	1,054	19	(10,238)	(10,009)	(229)	783	733	50	2,731	2,655	76
Income tax recovery	(6,509)	(6,641)	131	2,052	1,791	261	(11,353)	(8,980)	(2,374)	(14,326)	(12,558)	(1,768)
Net loss for the period on continuing operations, net of tax	(234)	(180)	(54)	(531)	(367)	(164)	(233)	(245)	12	(265)	(243)	(22)
Net profit on discontinued operations, net of tax	(11)	174	(185)	(43)	382	(425)	-	(2,385)	2,385	-	(1,746)	1,746
Net loss for the period	(6,287)	(6,287)	-	2,540	2,540	-	(11,120)	(11,120)	-	(14,061)	(14,061)	-

	Three months ended September 2024		Nine months ended September 2024	
	Reported	Revised	Reported	Revised
Weighted average number of Subordinate Voting Shares	162,665,311	151,268,099	157,020,376	124,612,438
Basic and diluted loss per share-Continuing operations	(0.06)	(0.05)	(0.08)	(0.09)
Basic and diluted loss per share-Discontinued operations	-	(0.02)	-	(0.02)
Basic and diluted loss per share	(0.06)	(0.07)	(0.08)	(0.10)

- (1) In 2024 and Q1 2025 the company presented a consolidated view of all revenue streams. In Q2 2025, this view has been disaggregated to present each revenue stream as a distinct line item on the profit and loss statement.
- (2) In 2024 the company reported quarterly amortization of intangibles within cost of revenue, which has now been reclassified to a separate line item under operating expenses in Q2 2025 to align with the Company's updated presentation policy. Furthermore, employee costs directly related to revenue-generating activities were reclassified from operating expenses to cost of sales in Q2 2025.
- (3) In 2024 and Q1 2025, the Company previously recorded stock-based compensation, amortization of intangible assets, depreciation of property and equipment, depreciation of ROU, and impairment charges within general and administrative expenses. In Q2 2025, these items were reclassified as separate line items within operating expenses.
- (4) In 2024, the reported research and development costs included the amortization of intangible assets. In Q2 2025, these costs were reclassified to a separate line item within operating expenses. Furthermore, in Q2 2025, the employee costs were further analyzed and re-classified to their appropriate function.
- (5) In 2024, the reported sales and marketing costs included the amortization of intangible assets. In Q2 2025, these costs were reclassified to a separate line item within operating expenses. Furthermore, in Q2 2025, the employee costs were further analyzed and re-classified to their appropriate function.

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31 SUBSEQUENT EVENTS

On November 3rd, 2025 the Company completed a series of strategic transactions with WELL Health Technologies Corp. and its subsidiaries, WELL Health Clinics Network Inc. and WELLSTAR Technologies Corp, to streamline operations, accelerate clinical research and focus on high growth AI and Software initiatives. The transactions include the sale of the Company's Polyclinics Family Medicine and speciality Clinics Group to WELL Clinics "Polyclinics", the sale of the Company's interest in Mutuo Health Solutions Inc., to WELLSTAR and the creation of a clinical research joint venture with WELL, that includes BioPharma Services Inc. and Canadian Phase Onward. The Polyclinics, BioPharma Services Inc., and Canadian Phase Onward were apart of the Company's Clinical Operations reporting segment, which was classified as held for sale and discontinued operations as at September 30, 2025.

The Company divested its Polyclinic Family Medicine and Specialty Clinics to WELL Health Clinic Network Inc. for total consideration of up to \$2,400, comprising \$1,200 in cash at closing and up to \$1,200 in an earn-out payable in 2026.

The Company and WELL Health Technologies Corp. formed a 50/50 clinical research joint venture, implemented through a limited partnership structure, to advance late-stage clinical research opportunities in Canada. The Company contributed its subsidiaries Bio Pharma Services Inc. and Canadian Phase Onward Inc., receiving 3,000,000 Class A LP Units valued at \$3,000, while WELL committed \$3,000 in capital for an equivalent number of Class B LP Units. An initial \$500 capital call was funded at closing. The general partner of the limited partnership is controlled by WELL.

In addition, the Company also sold its 58.66% interest in Mutuo to WELLSTAR Technologies Corp. for total cash consideration of \$8,200, subject to customary working capital and debt adjustments, of which \$600 is held in a four-month indemnity holdback.