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**JACK NATHAN MEDICAL CORP.**  
**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**For the three months ended April 30, 2025 and 2024**

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## **RESPONSIBILITY FOR INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**

The accompanying interim condensed unaudited consolidated financial statements of Jack Nathan Medical Corp. for the three months ended April 30, 2025 and 2024 have been prepared by Management in accordance with International Financial Accounting Standards, IAS 34 - Interim Financial Reporting.

### **Auditor Involvement**

The auditor of Jack Nathan Medical Corp. has not performed a review of these interim condensed consolidated financial statements.

Woodbridge, Ontario

August 25, 2025

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**JACK NATHAN MEDIAL CORP.**

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**April 30, 2025 and 2024**

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**JACK NATHAN MEDICAL CORP.**  
**UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
**AS AT**

		April 30, 2025	January 31, 2025
	Note	\$	\$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash		906,492	2,199,812
Accounts and other receivables	8	1,180,633	555,848
Government remittances receivable		—	71,819
Prepays and deposits		200,659	303,835
<b>Total current assets</b>		<b>2,287,784</b>	<b>3,131,314</b>
<b>Long Term Assets</b>			
Right-of-use assets	7	210,669	233,191
Property and equipment	9	155,823	178,634
<b>TOTAL ASSETS</b>		<b>2,654,276</b>	<b>3,543,139</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY(DEFICIT)</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities	15	1,809,327	1,667,101
Government remittances payable		21,529	—
Lease obligation - current portion	10	58,819	58,819
<b>Total current liabilities</b>		<b>1,889,675</b>	<b>1,725,920</b>
<b>Long-Term Liabilities</b>			
Deferred revenues		395,306	308,750
Lease obligation	10	165,870	184,494
<b>Total Liabilities</b>		<b>2,450,851</b>	<b>2,219,164</b>
<b>Shareholders' Equity</b>			
Share capital	12	19,977,634	19,977,634
Contributed surplus		6,601,693	6,601,693
Accumulated other comprehensive income/(loss)		(3,437)	5,183
Deficit		(26,372,465)	(25,260,535)
<b>Shareholders' Deficit</b>		<b>203,425</b>	<b>1,323,975</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT</b>		<b>2,654,276</b>	<b>3,543,139</b>

**Subsequent events** [note 20]

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

**JACK NATHAN MEDICAL CORP.**

**UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**  
**FOR THE THREE MONTHS ENDED APRIL 30, 2025 AND 2024**

		Three months ended April 30,	
		2025	2024
	Note	\$	\$
<b>REVENUES</b>	6	1,990,101	2,079,867
<b>OPERATING EXPENSES</b>			
Associate fees		1,368,289	1,350,207
Clinic operations		645,624	401,549
Clinic supplies		168,697	168,216
Consulting fees		126,587	182,603
Professional fees		27,866	213,662
Investor communications		11,178	22,064
Office and general		166,405	122,599
Advertising and promotion		88,146	54,550
Salaries and wages		171,921	158,991
Share based compensation expense	13	—	6,851
Depreciation & Amortization	7 & 9	46,347	83,511
		2,821,060	2,764,803
<b>LOSS FROM OPERATIONS</b>		(830,959)	(684,936)
Interest income		2,772	33,345
Finance costs		(14,008)	(18,488)
Foreign exchange gain (loss)		10,677	38,221
Other Income (Expense)		4,721	—
<b>LOSS BEFORE TAXES</b>		(826,797)	(631,857)
Current income tax recovery (expense)		(155,934)	19,737
<b>NET LOSS</b>		(982,731)	(612,120)
Foreign currency translation adjustment		(8,620)	151,812
<b>COMPREHENSIVE LOSS</b>		(991,351)	(460,308)
<b>Loss per share – Basic</b>		(0.01)	(0.01)
<b>Loss per share – Diluted</b>		(0.01)	(0.00)
<b>Basic</b>	14	87,099,159	87,099,159
<b>Diluted</b>	14	87,434,163	96,101,665

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

JACK NATHAN MEDICAL CORP.

**UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIT**  
**FOR THE THREE MONTHS ENDED APRIL 30, 2025 and 2024**

		Common Shares	Share Capital	Contributed Surplus	Comprehensive Loss	Deficit	Shareholders' Deficit
	Note	# Issued	\$	\$	\$	\$	\$
Balance, January 31, 2025		87,099,159	19,977,634	6,601,693	5,183	(25,260,535)	1,323,975
Share based compensation expense	13	—	—	—	—	—	—
Contingent consideration for acquisitions		—	—	—	—	—	—
Cumulative translation adjustment		—	—	—	(8,620)	(129,199)	(137,819)
Net loss		—	—	—	—	(982,731)	(982,731)
Balance, April 30, 2025		87,099,159	19,977,634	6,601,693	(3,437)	(26,372,465)	203,425
Balance, January 31, 2024		87,099,159	19,977,634	6,844,411	(208,497)	(32,560,388)	(5,946,840)
Share based compensation expense	13	—	—	6,851	—	—	6,851
Contingent consideration for acquisitions		—	—	—	—	—	—
Cumulative translation adjustment		—	—	—	151,812	(164,893)	(13,081)
Net loss		—	—	—	—	(1,921,294)	(1,921,294)
Balance, April 30, 2024		87,099,159	19,977,634	6,851,262	(56,685)	(34,646,575)	(7,874,364)

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

**JACK NATHAN MEDICAL CORP.**  
**UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE THREE MONTHS ENDED APRIL 30, 2025 and 2024**

	Note	April 30, 2025 \$	April 30, 2024 \$
<b>CASH FLOWS FROM:</b>			
<b>OPERATING ACTIVITIES</b>			
Net loss		(826,797)	(1,941,031)
Add items not involving cash:			
Share based compensation expense	13	—	6,851
Depreciation	9	23,825	163,559
Depreciation - right-of-use assets	7	22,522	78,093
Amortization - intangible assets		—	88,606
Amortization - Debt issuance cost		—	3,854
Interest expense on lease obligation	10	7,688	16,912
Profit on sale of Property & Equipment		—	(774)
Accretion expense		—	197,920
		(772,762)	(1,386,010)
Changes in non-cash working capital			
Accounts and other receivables	8	(624,785)	105,258
Government remittances receivable (payable)		93,348	202,525
Prepays and deposits		103,176	(31,079)
Other receivable		—	3,606
Accounts payable and accrued liabilities		(13,708)	(992,664)
Tenants deposits		—	(2,999)
Deferred revenue		86,556	78,084
<b>CASH USED IN OPERATING ACTIVITIES</b>		<b>(1,128,175)</b>	<b>(2,023,279)</b>
<b>INVESTING ACTIVITIES</b>			
Purchase of property and equipment	9	—	(9,247)
Construction in progress		—	(445,845)
Proceed on sale of property and equipment		—	1,500
<b>CASH USED IN INVESTING ACTIVITIES</b>		<b>—</b>	<b>(453,592)</b>
<b>FINANCING ACTIVITIES</b>			
Proceeds of loans payable		—	278,790
Repayment of loans payable		—	(6,529)
Repayment of lease obligations	10	(26,312)	(102,833)
Funds received for construction in progress		—	1,023,319
<b>CASH GAINED FROM FINANCING ACTIVITIES</b>		<b>(26,312)</b>	<b>1,192,747</b>
<b>EFFECT OF FOREIGN CURRENCY TRANSLATION</b>		<b>(138,833)</b>	<b>(15,925)</b>
<b>NET DECREASE IN CASH</b>		<b>(1,293,320)</b>	<b>(1,300,049)</b>
<b>CASH, BEGINNING OF PERIOD</b>		<b>2,199,812</b>	<b>3,067,220</b>
<b>CASH, END OF PERIOD</b>		<b>906,492</b>	<b>1,767,171</b>

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

## I. NATURE OF BUSINESS AND OPERATIONS

Jack Nathan Medical Corp. ("JNH" or the "Company") is a publicly listed company incorporated under the laws of the Province of Ontario, Canada. The Company's common shares are traded on the TSX Venture Exchange under the symbol "JNH" and on the OTCQB market under the symbol "JNHMF".

The Company was established in 2006 through its wholly owned subsidiary, Jack Nathan Medical Inc. ("JNMI"), to design, build, and operate barrier-free medical clinics in high-density retail locations. On October 6, 2020, the Company completed a reverse takeover transaction ("RTO") with Woodbridge Ventures Inc., becoming the publicly listed parent entity of JNMI and its following subsidiaries:

- Jack Nathan Functional Health Inc. ("Jack Nathan Health") owned 100% by JNH at October 31, 2021 (formerly 80% from December 14, 2020 until September 3, 2021)
- Writi Inc., ("Writi") owned 100% by JNH - January 8, 2021
- Redeem Cosmetic & Surgical Inc. and 1883853 Ontario Limited ("MedSpa") - February 17, 2021

The Company operated one of Canada's largest networks of primary care medical clinics located within Walmart in both Canada and Mexico. On December 1, 2024, the Company completed the sale of substantially all its Canadian medical clinic and licensee operations for total cash consideration of \$5,000,000. As part of the transaction:

- Approximately \$15 million in debt owed to Walmart Canada Corp. was extinguished.
- The Company entered a profit-sharing arrangement with Walmart Canada, secured against the assets of its Mexican operations.
- All Canadian primary care operations were discontinued.

Following the transaction, the Company's operations have been significantly restructured. As of the date of these financial statements:

- **Canadian Operations:** The Company operates four MedSpa clinics in Ontario and Alberta, focused on providing aesthetic and wellness services including injectables, laser treatments, and advanced skin care therapies. This segment now represents the Company's primary ongoing business activity.
- **Mexican Operations:** Until April 30, 2025, the Company operated 171 corporate-owned medical clinics in Mexico, comprising 165 retail clinics located within Walmart stores, 5 clinics in Walmart Distribution Centers, and 1 multidisciplinary flagship clinic in Mexico City. As of 30<sup>th</sup> June 2025, the Company has ceased all of its clinical operations within Walmart, following the formal termination of its agreements with Walmart Mexico. Further details are provided in *Note 22- Subsequent Events*.

The registered and head office of the Company is located at 6-6150 Highway 7 #491 Woodbridge, Ontario, Canada.



## **2. BASIS OF PREPARATION**

### **a) Statement of compliance**

These unaudited interim condensed consolidated financial statements for the three months ended April 30, 2025 have been prepared in accordance with International Accounting Standard (“IAS”) 34 ‘Interim Financial Reporting’ (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The disclosure contained in these unaudited interim condensed consolidated financial statements does not include all the requirements in IAS 1 Presentation of Financial Statements (“IAS 1”). Accordingly, these unaudited interim condensed consolidated financial statements should be read in conjunction with the Company’s audited consolidated financial statements as at and for the year ended January 31, 2025, which include information necessary to understand the Company’s business and financial statement presentation.

The interim condensed unaudited consolidated financial statements were authorized for issuance by the Board of Directors on August 22, 2025.

### **b) Basis of consolidation**

#### **Subsidiaries**

Subsidiaries consist of companies over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are deconsolidated from the date control ceases. The consolidated financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-company balances and transactions. The table below lists the Company’s subsidiaries that are consolidated in these financial statements:

<b>Subsidiary</b>	<b>Principal place of business</b>	<b>April 30, 2025</b>	<b>January 31, 2024</b>
JNH Mexico	Mexico	99.9%	99.9%
Vivify Wellness Inc.	Inactive	100.0%	100.0%
JNH Shanghai	Inactive	95.0% <sup>(1)</sup>	95.0%
Jack Nathan Functional Health	Ontario, Canada	100.0%	100.0%
Jack Nathan Medical Inc.	Ontario, Canada	100.0%	100.0%
Writi	Inactive	100.0%	100.0%

- (1) The interest of non-controlling shareholders of JNH Shanghai have not been presented separately due to no active business in JNH Shanghai. All intercompany group transactions, balances, income, and expenses are eliminated in full on consolidation.

### **c) Basis of measurement**

The policies set out were consistently applied to all the periods presented unless otherwise noted below. The preparation of these unaudited interim condensed consolidated financial statements in conformity with IFRS as issued by the IASB requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

## **2. BASIS OF PREPARATION (Continued)**

### **d) Basis of measurement (Continued)**

These unaudited interim condensed consolidated financial statements have been prepared in their functional currency on a historical cost basis except for long-term liabilities, loans receivable, and derivatives, which are measured at amortized cost or fair value. Historical cost is generally based upon the fair value of the consideration given in exchange for assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether the price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

## **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

These unaudited interim condensed consolidated financial statements have been prepared using the same accounting policies and methods of computation as presented in Note 3 of the annual audited consolidated financial statements of the Company as at and for the year ended January 31, 2025.

## **4. GOING CONCERN ASSUMPTION**

These interim condensed consolidated financial statements have been prepared on a basis that assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. These unaudited interim condensed consolidated financial statements do not reflect any adjustments that may be necessary should the Company be unable to continue as a going concern. The Company incurred a net loss of \$982,731 during the three months ended April 30, 2025 (year ended January 31, 2025 - \$2,530,374) from continuing operations, had an accumulated deficit of \$26,372,465 at April 30, 2025 (January 31, 2025 - \$25,260,535) and, as at April 30, 2025 had working capital surplus of \$398,109 (January 31, 2025 - \$1,405,394).

On December 1, 2024, the Company completed the sale of its Canadian medical clinic and licensee operations to WELL Health Technologies Corp. for total cash consideration of \$5,000,000. In addition to the cash inflow, the transaction included the extinguishment of over \$15,000,000 in secured debt owed to Walmart Canada Corp. These changes significantly strengthened the Company's balance sheet and liquidity position. A portion of the proceeds was used to repay interim advances, settle transaction-related obligations, and support the Company's continuing operations.

Subsequent to the period end, the Company announced that it had been unable to ratify terms with Walmart Mexico, and termination notices were issued, with operations ceased completely by June 30, 2025. While the developments in Mexico represent a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern, management believes that the Canadian operations provide a base level of financial stability and growth potential for the overall Company. As such, the financial statements have been prepared on a going concern basis.

The Company is looking for an additional financing to enable it to expand the MedSpa operations. Management continues to monitor cash needs and is considering various alternatives to raise additional financing. There can be no assurances that the Company will be able to secure the necessary financing. The factors noted above indicate the existence of a material uncertainty that may cast significant doubt on the ability of the Company to continue as a going concern.

## 5. DISCONTINUED OPERATIONS

### Medical Clinic and Licensee Business (Canada)

On December 1, 2024, the Company completed the sale of substantially all of its Canadian medical clinic and licensee operations to WELL Health Technologies Corp. for total cash consideration of \$5,000,000. As part of the transaction:

- Approximately \$15 million in debt owed to Walmart Canada Corp. was extinguished.
- The Company entered into a profit-sharing arrangement with Walmart Canada, secured against the assets of its Mexican operations; and
- All Canadian primary care operations were discontinued.

For the year ended January 31, 2025, the discontinued Canadian operations generated a net income of \$9,995,129, primarily driven by a gain on sale of \$16,397,513 recognized on completion of the transaction. The results of this divested segment were presented as discontinued operations in accordance with IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations*.

### Comparative Information – Restatement for Discontinued Operations

As the Canadian medical clinic and licensee operations were classified as discontinued in Q4 of the prior fiscal year, the comparative figures for the three months ended April 30, 2024 have been restated to reflect only continuing operations, consisting of the Canadian MedSpa and Mexican operations. Accordingly, the comparative amounts presented in these interim financial statements will not match the previously published interim financial statements for the three months ended April 30, 2024, which included the results of the Canadian medical clinic and licensee operations as part of continuing operations.

## 6. REVENUES

Revenues for the three months ended April 30, 2025, and 2024 consist of the following:

	Three months ended April 30	
	2025	2024
	\$	\$
Medspa Operation	185,259	207,002
Medical clinic operation-Mexico	1,804,842	1,872,865
<b>Total revenues</b>	<b>1,990,101</b>	<b>2,079,867</b>

## 7. RIGHT-OF-USE ASSETS

The Company recognized the right-of-use asset for its office space lease and MedSpa equipment as follows:

	\$
Balance - January 31, 2025	233,191
Additions	-
Depreciation	(22,522)
<b>Balance - April 30, 2025</b>	<b>210,669</b>

Depreciation of right-of-use assets for the three months ended April 30, 2025, was \$22,522 (2024 - \$78,939).

## 8. ACCOUNTS AND OTHER RECEIVABLES

The Company's accounts receivable are summarized as follows as of April 30, 2025, and January 31, 2025:

	April 30, 2025	January 31, 2025
	\$	\$
Accounts receivables	1,180,633	555,848
Less: expected credit losses	-	-
	<b>1,180,633</b>	<b>555,848</b>

Accounts receivable are non-interest bearing and the average credit period is 30 days according to the terms agreed with the customers.

## 9. PROPERTY AND EQUIPMENT

The components of property and equipment are as follows as of April 30, 2025:

	Clinic Equipment	Furniture and Fixtures	Total
Cost	\$	\$	\$
Balance - January 31, 2025	559,102	7,154	566,256
Impact on foreign exchange	3,541	-	3,541
<b>Balance - April 30, 2025</b>	<b>562,643</b>	<b>7,154</b>	<b>569,797</b>

	Clinic Equipment	Furniture and Fixtures	Total
Accumulated Depreciation	\$	\$	\$
Balance - January 31, 2025	382,492	5,130	387,622
Depreciation	23,468	357	23,825
Impact on foreign exchange	2,527	-	2,527
<b>Balance - April 30, 2025</b>	<b>408,487</b>	<b>5,487</b>	<b>413,974</b>

	Clinic Equipment	Furniture and Fixtures	Total
Net Book Value	\$	\$	\$
Balance - January 31, 2025	176,610	2,024	178,634
<b>Balance - April 30, 2025</b>	<b>154,156</b>	<b>1,667</b>	<b>155,823</b>

Depreciation for the three months ended April 30, 2025, was \$23,825 (2024 - \$163,778). Out of the prior year amount, \$42,471 related to continuing operations (MedSpa Canada and Mexico) and \$121,307 related to Canadian clinic and license operations, which were discontinued in December 2024.

## 10. LEASE OBLIGATIONS

The following table presents the lease obligations for the Company:

	\$
Balance - January 31, 2025	243,313
Interest Expense	7,688
Lease payments	(26,312)
<b>Balance - April 30, 2025</b>	<b>224,689</b>
	\$
Current Portion	58,819
Non-current portion	165,870
	<b>224,689</b>

The following table presents the contractual undiscounted cash flows for lease obligation as at April 30, 2025:

	\$
Less than one year	80,978
One to five years	196,866
<b>Total undiscounted lease obligation</b>	<b>277,844</b>

## 11. LOANS AND BORROWINGS

As at April 30, 2025 and January 31, 2025, the Company had no outstanding loans or borrowings. During the year, the Company completed a significant divestiture of its Canadian clinic and licensee operations. As part of the asset purchase agreement (“APA”) with WELL Health Technologies Corp. completed on December 1, 2024, all existing loan facilities and secured debt obligations, owed to Walmart Canada Corp., were fully extinguished.

## 12. SHARE CAPITAL

Authorized - Unlimited number of common shares:

Issued and outstanding	Number of shares	Amount \$
Balance January 31, 2024	87,099,159	19,977,634
<b>Balance January 31, 2025</b>	<b>87,099,159</b>	<b>19,977,634</b>
<b>Balance April 30, 2025</b>	<b>87,099,159</b>	<b>19,977,634</b>

There was no change in share capital during the 3 month period ended on April 30, 2025.

### 13. SHARE BASED COMPENSATION

#### (a) Stock Options

The following table summarizes the Company's stock options activity for the three months ended April 30, 2025 and year ended January 31, 2025:

Stock Options	April 30, 2025		January 31, 2025	
	Number of options	Weighted average	Number of options	Weighted average
	#	exercise price \$	#	exercise price \$
Outstanding - beginning of year	1,650,000	0.45	5,365,000	0.58
Options cancelled	(350,000)	(0.30)	(3,715,000)	(0.64)
Outstanding - end of period	1,300,000	0.58	1,650,000	0.45
Exercisable - end of period	1,300,000	0.61	1,575,000	0.47

A summary of stock options outstanding as of April 30, 2025, is set out below:

Range of Exercise Prices	Number of options	Remaining contractual life	Weighted average
	#	[years]	exercise price \$
Options \$0.50 or less	1,300,000	1.68	0.50
Outstanding - end of year	1,300,000	1.68	0.50

#### (b) RSUs

All outstanding RSUs were fully settled at a price of \$0.03 per unit in connection with the execution of the Asset Purchase Agreement ("APA") on December 1, 2024. These RSU settlements were made pursuant to individual executive settlement agreements, which also included consulting provisions for a defined transition period. No RSUs remain outstanding or exercisable as on April 30, 2025.

RSUs	April 30, 2025		January 31, 2025	
	Number of RSUs	Share price on	Number of RSUs	Share price on
	#	grant date \$	#	grant date \$
Outstanding - beginning of year	-	-	8,500,000	-
RSUs granted	-	-	-	-
RSUs Settled	-	-	(8,500,000)	-
Outstanding - end of period	-	-	-	-
Exercisable - end of period	-	-	-	-

### 13. SHARE BASED COMPENSATION (Continued)

#### (c) DSUs

The following table summarizes the Company's DSU activity for the three months ended April 30, 2025, and year ended January 31, 2025:

DSUs	April 30, 2025		January 31, 2025	
	Number of DSUs #	Share price on grant date \$	Number of DSUs #	Share price on grant date \$
<b>Outstanding - beginning of year</b>	335,004	-	502,506	-
DSUs settled	-	-	167,502	-
<b>Outstanding - end of period</b>	<b>335,004</b>	-	<b>335,004</b>	-
<b>Exercisable - end of period</b>	-	-	-	-

There was no share compensation expense during the three months ended April 30, 2025 (2024- \$6,851):

### 14. LOSS PER SHARE

The table below shows the components used in the calculation of basic and diluted loss per share:

	Three months ended	
	April 30, 2025	April 30, 2024
	\$	\$
<b>Comprehensive loss - basic</b>	(991,351)	(460,308)
Weighted average number of common shares outstanding - basic	87,099,159	87,099,159
Effect of dilution from stock options and warrants	335,004	9,002,506
<b>Weighted average number of common shares outstanding - diluted</b>	<b>87,434,163</b>	<b>96,101,665</b>

### 15. FINANCIAL INSTRUMENTS

The Company has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk, interest rate risk, currency risk and market risk. The following presents information about the Company's exposure to each of these risks, and the Company's objectives, procedures, and processes for measuring and managing risk.

#### (a) Credit risk

Credit risk refers to the risk that a counterpart will default on its contractual obligation, resulting in financial loss to the Company. Such risks arise primarily from certain financial assets held by the Company consisting of accounts receivable. The Company's maximum exposure to credit risk is limited to the carrying amount of the financial assets.

#### (b) Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulties in meeting obligations associated with financial liabilities. As at April 30, 2025, the Company maintained adequate cash balances and credit facilities in order to meet short term business requirements, after taking into account cash flows from operations. Accounts payable and accrued liabilities are subject to normal trade terms.

## 15. FINANCIAL INSTRUMENTS (Continued)

### (b) Liquidity risk (Continued)

The following tables summarize the contractual maturities of financial liabilities:

April 30, 2025	Less than 1 year	1 to 5 years	Over 5 years	Total
	\$	\$	\$	\$
Accounts payable and accrued liabilities	1,809,327	-	-	1,809,327
Lease obligation	58,819	165,870	-	224,689
<b>Total</b>	<b>1,868,146</b>	<b>165,870</b>	<b>-</b>	<b>2,034,016</b>

### (c) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices and is comprised of currency risk, interest rate risk, and other price risk.

### (d) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

### (e) Currency risk

Currency risk arises on financial instruments that are denominated in a foreign currency, a currency other than the functional currency in which they are measured. The potential 5% increase or decrease in Mexican Peso would result in an increase or decrease in net loss of approximately \$27,825 (2024 - \$1,084).

## 16. RELATED PARTY TRANSACTIONS

During the three months ended April 30, 2025, the Company engaged in transactions in the normal course of operations with the following related parties. All these transactions have been accounted for at the amount agreed to by the transacting parties as follows:

### Transactions with key management personnel

The Company recorded salaries and consulting fees during the three months ended April 30, 2025, in the amount of \$36,583 (2024 - \$355,027) to key management personnel.

### Transactions with related parties other than key management personnel

The Company recorded fees during the three months ended April 30, 2025 of \$31,250 (2024 - \$50,625) to the directors of the Company.



## 17. CAPITAL MANAGEMENT

The Company defines capital as all borrowings, lease obligations, equity comprised of issued share capital, warrants and contributed surplus. The Company's objectives when managing its capital are:

- [i] to maintain a flexible capital structure that optimizes the cost of capital at acceptable risk while providing an appropriate return to its shareholders;
- [ii] to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business;
- [iii] to safeguard the Company's ability to obtain financing should the need arise; and
- [iv] to maintain financial flexibility in order to have access to capital for future acquisitions and growth opportunities.

Management reviews its capital management approach on an ongoing basis and believes that this approach is reasonable. There were no changes in the Company's approach to capital management during the three months ended April 30, 2025. The Company is not subject to externally imposed capital requirements.

## 18. SEGMENT INFORMATION

The Company's results are reported by geographical business units that operate in different countries. The following tables present segment information for the three months ended and as at April 30, 2025 and 2024:

	Canada		Mexico	Total
	Corporate	Medspa	Medical care	
<b>Three months ended April 30, 2025</b>		\$	\$	\$
<b>Revenues</b>	-	185,259	1,804,842	1,990,101
<b>Net income (loss)</b>	(216,478)	(209,760)	(556,494)	(982,731)
<b>As at April 30, 2025</b>		\$	\$	\$
<b>Total assets</b>		1,461,915	1,192,361	2,654,276
<b>Long term assets</b>		297,732	68,760	366,492
<b>Property and equipment</b>		87,063	68,760	155,823

During the three months ended April 30, 2025, 91% of total revenues (2024 – 38%) is attributable to one customer.

## 19. COMMITMENTS AND CONTINGENCIES

### Contingent liability

On May 17, 2022, the former CEO of the Company initiated a claim against the Company in the amount of \$14.6 million for breach of contract. On November 2, 2022 the Company defended against the claims and initiated a counter claim in the amount of \$10 million. Management intends to defend the claim and the outcome of the claim and counter claim is uncertain at this time. As a result, no accrual for potential loss or gain on the outcome of the matter has been made in the consolidated financial statements.

## **20. SUBSEQUENT EVENTS**

On April 4, 2025, Walmart Mexico provided formal notice of termination of its agreements with Jack Nathan Medical Corp. relating to the operation of medical clinics within Walmart stores in Mexico. Although the notice was received prior to the reporting date, the termination was accepted and implemented subsequent to quarter-end. As of June 30, 2025, the Company has ceased all of its clinical operations within Walmart Mexico locations. This represents a material development in the subsequent period as Jack Nathan Mexico has fully discontinued its Walmart based clinic operations.