



Management Discussion and Analysis
(Expressed in Canadian Dollars)

WAVERLEY PHARMA INC.

Three and nine months ended September 30, 2025

Prepared by Management without review from the Company's auditor

BACKGROUND

This Management's Discussion and Analysis ("**MD&A**") of Waverley Pharma Inc. ("**Waverley**" or the "**Company**") is dated November 26, 2025 and provides an analysis of the Company's operations for the three and nine months ended September 30, 2025. This MD&A should be read in conjunction with the condensed consolidated interim financial statements for the three and nine months ended September 30, 2025 and the audited consolidated financial statements and accompanying notes for the year ended December 31, 2024 which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**"). All amounts are in Canadian dollars unless otherwise specified. The audited consolidated financial statements are available on the Canadian System for Electronic Document Analysis and Retrieval ("**SEDAR**") at www.sedarplus.ca under the Company's profile. As of October 27, 2017, the common shares have been listed on Tier 2 of the TSX Venture Exchange (the "**Exchange**" or the "**TSX-V**") under the symbol "WAVE". The address of the Company's registered office and head office is 4-1250 Waverley Street, Winnipeg, Manitoba, Canada, R3T 6C6.

FORWARD-LOOKING INFORMATION

Certain statements in this MD&A are forward-looking statements or information (collectively, forward-looking statements). The Company is hereby providing cautionary statements identifying important factors that could cause the actual results to differ materially from those projected in the forward-looking statements. Any statements that express, or involve discussions as to, expectations, beliefs, plans, objectives, assumptions or future events or performance (often, but not always, through the use of words or phrases such as "may", "is expected to", "anticipates", "estimates", "intends", "plans", "projection", "could", "vision", "goals", "objective" and "outlook") are not historical facts and may be forward-looking and may involve estimates, assumptions and uncertainties which could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predicted outcomes may not occur or may be delayed. The risks, uncertainties and other factors many of which are beyond the control of the Company, that could influence actual results include, but are not limited to: a limited operating history; regulatory risks; substantial capital and liquidity requirements; financing risks and dilution to shareholders; competition; reliance on management and dependence on key personnel; conflicts of interest of management; exposure to potential litigation, and other factors beyond the control of the Company.

Further, any forward-looking statement speaks only as of the date on which such statement is made, and, except as required by applicable law, the Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statements are made or to reflect the occurrence of unanticipated events. New factors emerge from time to time, and it is not possible for management to predict all such factors and to assess in advance the impact of each such factor on the business of the Company or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statement, see the "*Risks and Uncertainties*" section for more information.

Forward-looking statements are based on estimates and assumptions made by management in light of their experience of historical trends, current conditions and expected future developments, as well as factors that are believed to be appropriate. Forward-looking statements in this MD&A include, but are not limited to, statements relating to:

- the Company's intention to sell and market pharmaceutical products in the state of Ohio through its U.S. subsidiary, C&R Pharmacy, LLC ("**C&R Pharmacy**");
- the ability to achieve profitability;
- the Company's ability to establish and maintain relations with collaborators with acceptable development, regulatory and commercialization expertise, and the benefits to be derived from such collaborative efforts;
- the implementation of the Company's business model and strategic plans;
- the Company's intention to increase sales through C&R Pharmacy;
- expectations regarding market risk, including changes in interest rate and foreign currency movements;
- estimates of expenses, future revenue, capital requirements and availability of future financing;

FORWARD-LOOKING INFORMATION (continued)

- the Company's intentions regarding the protection of its intellectual property;
- the Company's intention to successfully develop its PARP-1 inhibitor project;
- the Company's ability to enter into partnership, or commercialize any assets developed as part of the PARP-1 inhibitor project;
- the Company's intention to identify, negotiate and complete business development transactions (e.g. the sale, purchase or license of pharmaceutical products or services); and
- the Company's business strategy and the expectations that it will not pay dividends for the foreseeable future.

Inherent in forward-looking statements are known and unknown risks, uncertainties and other factors beyond the Company's ability to predict or control that may cause the actual results, events or developments to be materially different from any future results, events or developments expressed or implied by such forward-looking statements. Such risk factors include, among others, the Company's future product revenues, stage of development, additional capital requirements, risks associated with the completion and timing of clinical trials and obtaining regulatory approval to market the Company's products, the ability to protect its intellectual property, dependence upon collaborative partners, changes in government regulation or regulatory approval processes and rapid technological change in the industry. These factors should be considered carefully and readers are cautioned not to place undue reliance on such forward-looking statements.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Such statements are based on a number of assumptions which may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- the impact of changes between the Canadian dollar and the US dollar, European Euro, British Pound and other foreign exchange rates on the Company's revenues, costs and results;
- the timing of the receipt of regulatory and government approvals for the Company's product development projects;
- the availability of financing for the Company's commercial operations and/or product development projects, or the availability of financing on reasonable terms;
- results of future clinical trials;
- the uncertainties associated with the acceptance and demand for new products;
- government regulation not imposing requirements that significantly increase expenses or that delay or impede the Company's ability to bring new products to market;
- the Company's ability to attract and retain skilled management and employees;
- the Company's ability, amid circumstances and decisions that are out of the Company's control, to maintain adequate supply of product for commercial sale;
- inaccuracies and deficiencies in the scientific understanding of the interaction and effects of pharmaceutical treatments when administered to humans;
- market competition;
- tax benefits and tax rates; and
- the Company's ongoing relations with its employees and with its business partners.

COMPANY OVERVIEW

The Company is a biopharmaceutical company engaged in the research, development and commercialization of human therapeutics. The Company had entered into a license, manufacture, supply, marketing and distribution agreement with Reliance Life Sciences Private Limited (“**RLS**” or the “**Licensor**”) by which the Licensor granted the Company an exclusive territorial license to market and sell capecitabine in the UK and Germany as well as a non-exclusive territorial license to market and sell temozolomide in the UK. Additionally, the Company has acquired exclusive territorial licenses from RLS to two oncologic drugs, pemetrexed and bortezomib in the USA, Canada, and the EU (the “**2017 Agreement**”). As part of the 2017 Agreement, the Company also obtained a non-exclusive license to sell both pemetrexed and bortezomib in the UK. These products are marketed in the EU and the UK through the Company’s wholly owned Irish subsidiary; Waverley Pharma Europe Limited (“**WPEL**”).

The Company strategically withdrew from its commercial agreements with the UK National Health Service (“**NHS**”) during 2023. This decision was prompted by an increasingly competitive market landscape, which eroded the financial viability of these contracts. By disengaging from underperforming contracts, the Company has positioned itself to reallocate resources, potentially exploring more lucrative opportunities, and/or focusing on areas with stronger growth potential.

During the year ended December 31, 2024, the Company entered into an amendment of the 2017 Agreement to transfer its previously acquired licenses for pemetrexed, bortezomib, capecitabine and temozolomide back to the Licensor. During the nine month period ended September 30, 2025, the transfer of said licenses was completed in exchange for consideration of \$264,520.

PARP-1 Inhibitor Project

The Company has revived its focus on advancing its PARP-1 pre-clinical development program, currently in the lead optimization stage, in response to burgeoning interest in novel PARP-1 inhibitors that demonstrate selective activity against PARP-1 over PARP-2. The current lead compound exhibits single-digit nanomolar activity and significant selectivity for PARP-1 over PARP-2, in pre-clinical invitro testing.

PARP-1 (Poly (ADP-Ribose) Polymerase-1) is a crucial DNA repair enzyme that potentially mitigates the efficacy of chemotherapy and radiation therapy. As a member of the PARP enzyme family, PARP-1 plays a vital role in detecting and repairing DNA damage. Inhibiting PARP-1 has emerged as a promising strategy in cancer treatment, particularly for high-grade ovarian cancers and triple-negative breast cancers. These cancer types often exhibit resistance to conventional treatments, making PARP-1 inhibition a valuable therapeutic approach.

PARP-1 inhibitors represent a class of anti-cancer agents that target DNA repair mechanisms. Their clinical importance spans various cancer types, offering two primary therapeutic strategies. As a monotherapy, these inhibitors can selectively eliminate cancer cells. Additionally, they show great promise in combination therapy, enhancing the efficacy of other cancer treatments. This dual approach underscores the versatility and potential of PARP-1 inhibitors in revolutionizing cancer treatment paradigms.

Acquisition of Retail Pharmacy

On September 18, 2024, the Company executed a strategic acquisition, securing full ownership of C&R Pharmacy, a well-established retail pharmacy located in West Liberty, Ohio for total consideration of \$830,673. This acquisition marks a significant milestone in the Company’s expansion into the retail pharmaceutical sector. C&R Pharmacy boasts a comprehensive insurance acceptance policy, accommodating all major insurance providers, which ensures accessibility to a broad customer base. The pharmacy’s location in rural Ohio is particularly advantageous, as it operates in a market characterized by limited local competition. This strategic position allows C&R Pharmacy to serve as an important healthcare resource for the local community.

OVERALL PERFORMANCE

The Company recorded a net loss of \$237,986 (\$0.00 per Common Share) for the three months ended September 30, 2025 compared to a net loss of \$272,911 (\$0.01 per Common Share) for the three months ended September 30, 2024. Factors contributing to the decreased net loss of \$34,925 during the three months ended September 30, 2025 compared to same period in the prior year included:

- Net revenue increased by \$253,240 during the three months ended September 30, 2025. The increase in net revenue is attributable to the Company's acquisition of C&R Pharmacy on September 18, 2024. During the three month period ended September 30, 2024, revenue recorded from C&R Pharmacy was from the date of acquisition September 18, 2024, to September 30, 2024.
- Research and development costs decreased by \$159,325 during the three month period ended September 30, 2025 in comparison to the three month period ended September 30, 2024. The decrease in research and development expenses is attributable to the Company transferring its licenses for pemetrexed and bortezomib to the Licensor. Given these licenses have been transferred, the Company did not have to pay the annual regulatory fees to the US Food and Drug Administration ("FDA") associated with ownership of these assets. In addition, the Company paid additional research and development fees during the prior year in relation to its PARP-1 inhibitor project. For more information regarding the Company's research and development projects, see the *Discussion of Operations* section below.
- The Company recorded a foreign exchange gain of \$106 during the three month period ended September 30, 2025, in comparison to a foreign loss of \$2,205 during the three month period ended September 30, 2024. Foreign exchange gains and losses are impacted by changes in the foreign exchange rates between the Canadian dollar, the US dollar, and the British pound.

Offset by:

- Cost of goods sold increased by \$199,137 during the three months ended September 30, 2025, in comparison to the three month period ended September 30, 2024. Cost of goods sold recorded during the three month period ended September 30, 2024 related to product sold to customers of C&R Pharmacy, from the date of acquisition September 18, 2024, to September 30, 2024. Cost of goods sold recorded during the current period was related to product sold through C&R Pharmacy throughout the entire quarter.
- Selling, general and administration expenses increased by \$172,842 during the three month period ended September 30, 2025, in comparison to the three month period ended September 30, 2024. The increase in selling, general and administration expenses is primarily due to the Company's acquisition of C&R Pharmacy on September 18, 2024. For more information regarding the changes in selling, general and administrative expenses, see the *Selling, General and Administration* section below.
- Finance expense, net increased by \$6,341 during the three month period ended September 30, 2025, in comparison to the three month period ended September 30, 2024. The increase in finance expense, net is primarily due to the Company incurring a higher interest expense on its bank indebtedness as a result of the bank indebted balance increasing during the current period, in addition to the Company incurring additional finance expense during the current period in relation to its lease obligations at C&R Pharmacy.

The following table provides an overview of the financial results for the three months ended September 30, 2025 compared to the three months ended September 30, 2024:

<i>For the three months ended September 30</i>	2025	2024	Change
Revenue	\$ 275,657	\$ 22,417	\$ 253,240
Cost of goods sold	(206,972)	(7,835)	(199,137)
Selling, general and administration	(244,995)	(72,153)	(172,842)
Research and development	(11,995)	(171,320)	159,325
Finance expense, net	(48,156)	(41,815)	(6,341)
Foreign exchange gain (loss)	106	(2,205)	2,311
Income tax expense	(1,631)	-	(1,631)
Net loss	\$ (237,986)	\$ (272,911)	\$ 34,925
Translation adjustment	14,855	1,196	13,659
Net loss and comprehensive loss	\$ (223,131)	\$ (271,715)	\$ 48,584

OVERALL PERFORMANCE (continued)

The Company recorded a net loss of \$301,906 (\$0.01 per Common Share) for the nine months ended September 30, 2025 compared to a net loss of \$881,970 (\$0.02 per Common Share) for the nine months ended September 30, 2024. Factors contributing to the decreased net loss of \$580,064 during the nine months ended September 30, 2025 compared to same period in the prior year included:

- Net revenue increased by \$1,030,180 during the nine month period ended September 30, 2025. The increase in net revenue is attributable to the Company's acquisition of C&R Pharmacy on September 18, 2024. During the three month period ended September 30, 2024, revenue recorded from C&R Pharmacy was from the date of acquisition September 18, 2024, to September 30, 2024.
- Research and development costs decreased by \$390,274 during the nine month period ended September 30, 2025 in comparison to the nine month period ended September 30, 2024. The decrease in research and development expenses is attributable to the Company transferring its licenses for pemetrexed and bortezomib to the Licensor. Given these licenses have been transferred, the Company did not have to pay the annual regulatory fees to the US Food and Drug Administration ("FDA") associated with ownership of these assets. In addition, the Company paid additional research and development fees in the prior year in relation to its PARP-1 inhibitor project. For more information regarding the Company's research and development projects, see the *Discussion of Operations* section below.
- The Company recorded a foreign exchange gain of \$29,261 during the nine month period ended September 30, 2025, in comparison to a foreign loss of \$12,035 during the nine month period ended September 30, 2024. Foreign exchange gains and losses are impacted by changes in the foreign exchange rates between the Canadian dollar, the US dollar, and the British pound.

Offset by:

- Cost of goods sold increased by \$649,861 during the nine month period ended September 30, 2025, in comparison to the nine month period ended September 30, 2024. Cost of goods sold recorded during the nine month period ended September 30, 2024 related to product sold to customers of C&R Pharmacy, from the date of acquisition September 18, 2024, to September 30, 2024. Cost of goods sold recorded during the current period was related to product sold through C&R Pharmacy throughout the entire quarter.
- Selling, general and administration expenses increased by \$209,267 during the nine month period ended September 30, 2025, in comparison to the nine month period ended September 30, 2024. The increase in selling, general and administration expenses is primarily due to the Company's acquisition of C&R Pharmacy on September 18, 2024. For more information regarding the changes in selling, general and administrative expenses, see the *Selling, General and Administration* section below.
- Finance expense, net increased by \$20,927 during the nine month period ended September 30, 2025, in comparison to the nine month period ended September 30, 2024. The increase in finance expense, net is primarily due to the Company incurring a higher interest expense on its bank indebtedness as a result of the bank indebted balance increasing during the current period, in addition to the Company incurring additional finance expense during the current period in relation to its lease obligations at C&R Pharmacy.

The following table provides an overview of the financial results for the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024:

<i>For the nine months ended September 30</i>	2025	2024	Change
Revenue	\$ 1,052,597	\$ 22,417	\$ 1,030,180
Cost of goods sold	(657,696)	(7,835)	(649,861)
Selling, general and administration	(579,478)	(370,112)	(209,366)
Research and development	(13,108)	(403,382)	390,274
Finance expense, net	(131,851)	(110,924)	(20,927)
Foreign exchange gain (loss)	29,261	(12,035)	41,296
Income tax expense	(1,631)	-	(1,631)
Net loss	\$ (301,906)	\$ (881,871)	\$ 579,965
Translation adjustment	(28,059)	1,242	(29,301)
Net loss and comprehensive loss	\$ (329,965)	\$ (880,629)	\$ 550,664

REVENUE

During the three and nine month periods ended September 30, 2025, the Company recorded net revenue of \$275,657 and \$1,052,597, respectively. Revenue earned during the current periods was through the Company's US subsidiary, C&R Pharmacy, which operates a retail pharmacy in West Liberty, Ohio.

Subsequent to the acquisition of C&R Pharmacy on September 18, 2024, the Company recorded total net revenue of \$22,417 for the three and nine month period ended September 30, 2024. All revenue earned during the period related to sales at C&R Pharmacy between its acquisition date of September 18, 2024 to the end of the quarter, September 30, 2024.

COST OF GOODS SOLD

Cost of goods sold during the three and nine month periods ended September 30, 2025 totaled \$206,972 and \$657,696 respectively. Cost of goods sold during the current period consisted of only product sold through the Company's US subsidiary, C&R Pharmacy.

Cost of goods sold during the three and nine month periods ended September 30, 2024 was \$7,835. Cost of goods sold during this period related only to product sold through C&R Pharmacy between its acquisition date of September 18, 2024 to the end of the quarter, September 30, 2024.

SELLING, GENERAL AND ADMINISTRATION

	Three months ended September 30			Nine months ended September 30		
	2025	2024	Change	2025	2024	Change
Administrative and other	\$ 33,615	\$ 12,896	20,719	\$ (46,339)	\$ 138,979	(185,318)
Professional fees	26,412	9,063	17,349	68,601	68,771	(170)
Salaries & benefits	67,380	12,985	54,395	227,711	72,963	154,748
Amortization	46,616	29,330	17,286	140,807	81,520	59,287
Selling expense	70,972	7,879	63,093	188,698	7,879	180,819
Total	\$ 244,995	\$ 72,153	172,842	\$ 579,478	\$ 370,112	209,366

Selling, general and administrative costs during the three and nine months ended September 30, 2025 were \$244,995 and \$579,478 respectively, compared to \$72,153 and \$370,112 during the three and nine months ended September 30, 2024. Significant differences during the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024 are as follows:

- Administrative and other expenses decreased by \$185,318 during the nine month period ended September 30, 2025 in comparison to the nine month period ended September 30, 2024. These expenses include administrative expenses, office expenses, travel expenditures, rental costs and failure to supply penalties. The decrease during the current period was a result of reimbursements received from the Licensor for certain regulatory expenses incurred by the Company in previous reporting periods, in relation to the pemetrexed and bortezomib intangible assets which were transferred to the Licensor during the nine month period ended September 30, 2025.
- Salaries & benefits increased by \$154,748 during the nine month period ended September 30, 2025, in comparison to the nine month period ended September 30, 2024. The increase in salaries & benefits during the current period is a result of the Company acquiring C&R Pharmacy during September 2024, resulting in the Company increasing its consolidated headcount.
- Amortization increased by \$59,287 during the nine month period ended September 30, 2025, in comparison to the nine month period ended September 30, 2024. The increase in amortization during the current period is the result of the Company amortizing assets acquired as part of the acquisition of C&R Pharmacy on September 18, 2024.
- Selling expenses increased by \$180,819 during the nine month period ended September 30, 2025 in comparison to the nine month period ended September 30, 2024. The selling expenses in the current year all related to C&R Pharmacy, these expenses include marketing expenses, program fees, and other expenditures necessary to operate the pharmacy.

RESEARCH AND DEVELOPMENT

	Three months ended September 30			Nine months ended September 30		
	2025	2024	Change	2025	2024	Change
Licensing and Regulatory fees	\$ -	\$ 72,320	(72,320)	\$ -	\$ 205,382	(205,382)
Development fees – PARP 1	11,995	99,000	(87,005)	13,108	198,000	(184,892)
Total	\$ 11,995	\$ 171,320	(159,325)	\$ 13,108	\$ 403,382	(390,274)

Research and development costs for the three and nine months ended September 30, 2025 were \$11,995 and \$13,108 respectively, compared to \$171,320 and \$403,382 during the three and nine months ended September 30, 2024. The decrease in research and development expenses during the current period is the result of the Company no longer having to incur annual fees to the FDA in relation to the approvals of pemetrexed and bortezomib, as these assets were sold during the nine month period ended September 30, 2025. In addition, the Company incurred additional regulatory fees during the three and nine month periods ended September 30, 2024 in connection with its PARP-1 inhibitor project. Expenditures of this nature are expensed when incurred, timing of which varies between the Company's reporting periods.

FINANCE EXPENSE, NET

	Three months ended September 30			Nine months ended September 30		
	2025	2024	Change	2025	2024	Change
Interest paid on bank indebtedness	\$ 40,278	\$ 41,233	(955)	\$ 118,852	\$ 111,062	7,790
Interest income	-	(6)	6	(2,284)	(1,029)	(1,255)
Lease obligations	7,437	465	6,972	14,445	465	13,980
Bank charges	441	123	318	838	426	412
Total	\$ 48,156	\$ 41,815	6,341	\$ 131,851	\$ 110,924	20,927

Finance expense during the three and nine month periods ended September 30, 2025 was \$48,156 and \$131,851, respectively, in comparison to \$41,815 and \$110,492 during the three and nine month periods ended September 30, 2024. The increase in finance expense during the current period is the result of increased interest paid on the Company's bank indebtedness, increased bank charges, offset by higher interest income. In addition, in connection with the acquisition of C&R Pharmacy, the Company also entered into lease for the retail space C&R Pharmacy currently operates in. As a result, the Company incurred interest expense on the lease obligation for the leased building during the three and nine month periods ended September 30, 2025.

FOREIGN EXCHANGE GAIN (LOSS)

	Three months ended September 30			Nine months ended September 30		
	2025	2024	Change	2025	2024	Change
Foreign exchange gain (loss)	\$ 106	\$ (2,205)	8,420	\$ 29,261	\$ (12,035)	41,296
Total	\$ 106	\$ (2,205)	8,420	\$ 29,261	\$ (12,035)	41,296

During the three and nine month periods ended September 30, 2025, the Company recorded a foreign exchange gain of \$106 and \$29,261, respectively. During the three and nine month periods ended September 30, 2024, the Company recorded a foreign exchange loss of \$2,205 and \$12,035. Foreign exchange gains and losses are impacted by changes in the foreign exchange rates during each respective period.

DISCUSSION OF OPERATIONS

On September 23, 2024, the Company announced that it had entered into a definitive agreement to acquire 100% membership interests of C&R Pharmacy, an independent pharmacy located in West Liberty, Ohio. The total consideration paid for C&R Pharmacy was US\$611,238, with up to an additional US\$60,000 to be paid after one year if certain performance metrics are met.

On June 20, 2024, the Company announced that James Kinley had been appointed as a director of the Company. Mr. Kinley is a Chartered Professional Accountant (CPA, CA) with more than 15 years of experience building, leading and advising companies through their daily operations as well as complex restructurings, mergers, acquisitions and capital market transactions. He is currently the Chief Financial Officer of Algernon Pharmaceuticals Inc. and a director of Medicare Inc. Both are publicly traded companies based in Canada.

On April 30, 2024, the Company provided a general update on its operations. As mentioned in the previous business update dated August 2, 2023, opportunities Waverley Pharma envisioned of marketing generic oncology drugs capecitabine, temozolomide, bortezomib and pemetrexed in the UK and recently approved bortezomib and pemetrexed in Europe and the United States have not come to fruition. This is a result of the unparalleled discounts currently taking place in generic drug pricing along with the large number of generic players vying for business in each of these markets. Subsequent to year end, Waverley Pharma transferred the US Abbreviated New Drug Applications (“ANDAs”) for bortezomib and pemetrexed back to the manufacturer, Reliance Life Sciences Private Limited, for an undisclosed fee.

PRODUCT DEVELOPMENT

PARP-1 Inhibitor Development

The Company’s research and development efforts are currently centered on the advancement of its proprietary Poly (ADP-Ribose) Polymerase-1 (PARP-1) inhibitor program, which represents a strategic focus for the Company’s development pipeline. Recognizing the growing clinical importance of PARP-1 as a therapeutic target, the Company has dedicated substantial resources to the discovery and optimization of novel, highly selective small molecule inhibitors of PARP-1.

PARP-1 is a key enzyme involved in the detection and repair of single-strand DNA breaks, acting as a “sensor” for DNA damage and recruiting repair proteins to the site of injury. Increased expression of PARP-1 has been observed in several malignancies, including breast, ovarian, and lung cancers. While most PARP inhibitors in clinical use or development target both PARP-1 and PARP-2, the Company’s research has been driven by the need for greater selectivity.

PARP-2, though structurally related, is involved in physiological processes beyond DNA repair, and its inhibition can contribute to unwanted toxicity. Thus, the Company’s strategy is to develop compounds that are highly selective for PARP-1, with the aim of achieving robust antitumor efficacy while minimizing off-target effects.

The Company’s research efforts have led to the screening of more than 450 proprietary compounds. This effort has yielded several promising lead candidates with sub-nanomolar or single-digit nanomolar inhibitory concentrations (IC₅₀) against PARP-1. The most advanced lead, CAWP-1322, demonstrates a sub-nanomolar IC₅₀ for PARP-1 inhibition and exhibits more than 1,000-fold selectivity over PARP-2. CAWP-1322 has also shown favorable drug-like properties, including strong microsomal stability in both mouse and human liver models, high bidirectional permeability in Caco-2 assays, a low efflux ratio, and minimal inhibition of the hERG channel, suggesting a favorable safety profile. In preclinical efficacy studies, CAWP-1322 inhibited cancer cell colony formation in an adeno lung cancer patient-derived xenograft model at low micromolar concentrations. Two additional compounds, CAWP-1446 and CAWP-1477, have also demonstrated potent and selective PARP-1 inhibition, and are undergoing further characterization.

The Company’s research team continues to conduct structure-activity relationship (“SAR”) studies, bio-profiling assays, and pharmacokinetic evaluations to optimize these lead candidates. The Company is also actively seeking collaborations and partnerships to accelerate the clinical development and eventual commercialization of its PARP-1 inhibitor portfolio.

PRODUCT DEVELOPMENT (continued)

PARP-1 Inhibitor Development (continued)

Looking ahead, the primary goal of the Company's PARP-1 inhibitor program is to address significant unmet needs in oncology, particularly for patients with high-grade ovarian cancers and triple-negative breast cancers that are resistant to current therapies. The selective inhibition of PARP-1 offers the potential for both monotherapy and combination approaches, with the goal of delivering improved efficacy and safety relative to first-generation, non-selective PARP inhibitors.

Historical Product Development

The Company's initial development projects were focused on the development of generic pemetrexed and bortezomib.

Pemetrexed is an injectable generic chemotherapy agent indicated for the treatment of non-small cell lung cancer and pleural mesothelioma. Bortezomib is an injectable generic chemotherapy agent developed for the treatment of multiple myeloma and mantle cell lymphoma. On May 25, 2022, the Company received approval from the FDA for its Abbreviated New Drug Application ("ANDA") for pemetrexed, and on October 11, 2022, the Company received approval from the FDA for its ANDA for bortezomib.

Although the Company successfully developed and marketed both products for the EU, UK, and U.S. markets, both pemetrexed and bortezomib had over 15 early generic entrants, as indicated in the FDA Orange Book Database. The competition had been fierce, with prices dropping to as little as 5% of brand. The Company had been awarded a few tenders in the United Kingdom, but due to significant price erosion, it had become unlikely that the Company would be able to obtain profitability on the sales of these products. As a result, during the nine-month period ended September 30, 2025, the Company elected to transfer these products to the Licensor, in exchange for total consideration of \$264,520.

Acquisition of C&R Pharmacy

The ongoing efforts of the Company include the continued development of its PARP-1 inhibitor program, in addition to operating its retail pharmacy, C&R Pharmacy.

C&R Pharmacy, a wholly-owned subsidiary of Waverley Pharma, operates as a community-focused retail pharmacy located in West Liberty, Ohio. Since its acquisition, C&R Pharmacy has provided a stable and recurring revenue stream for the Company, contributing positively to overall financial performance. The pharmacy offers a comprehensive range of prescription medications, over-the-counter products, and personalized patient services, and has established a reputation for high-quality care within its local community.

SUMMARY OF QUARTERLY RESULTS

The following table sets forth selected unaudited consolidated financial information for the periods indicated. The financial information provided below is derived from the Company's unaudited quarterly condensed consolidated interim financial statements for each of the last eight quarters. These historic results may not be indicative of the Company's future performance.

	Three months ended			
	September 30, 2025	June 30, 2025	March 31, 2025	December 31, 2024
Revenue	\$ 275,657	\$ 385,602	\$ 391,338	\$ 452,956
Cost of goods sold	(206,972)	(201,676)	(249,048)	(253,494)
Selling, general and admin.	(244,995)	(172,894)	(161,589)	(282,225)
Research and development	(11,995)	(800)	(313)	(20,277)
Recovery of value added tax	-	-	-	118,379
Finance expense, net	(48,156)	(42,677)	(41,018)	(51,481)
Foreign exchange gain (loss)	106	4,607	24,548	(29,064)
Income tax expense	(1,631)	-	-	-
Net loss	\$ (237,986)	\$ (27,838)	\$ (36,082)	\$ (65,206)
Other comprehensive loss	(223,131)	(69,471)	(37,363)	(16,590)
Basic loss per share	(0.00)	(0.00)	(0.00)	(0.00)
Diluted loss per share	(0.00)	(0.00)	(0.00)	(0.00)

	Three Months Ended			
	September 30, 2024	June 30, 2024	March 31, 2024	December 31, 2023
Revenue	\$ 22,417	\$ -	\$ -	\$ 48,725
Cost of goods sold	(7,835)	-	-	(97,542)
Selling, general and admin.	(72,153)	(137,133)	(160,826)	(337,512)
Research and development	(171,320)	(167,220)	(64,842)	(63,877)
Recovery under profit sharing arrangement	-	-	-	29,690
Recovery of value added tax	-	-	-	48,952
Impairment loss on intangible assets	-	-	-	(942,623)
Finance expense, net	(41,815)	(36,668)	(32,441)	(29,115)
Foreign exchange gain (loss)	(2,205)	(3,813)	(6,017)	9,730
Net loss	\$ (272,911)	\$ (344,834)	\$ (264,126)	\$ (1,333,572)
Other comprehensive loss	(271,715)	(343,687)	(262,835)	(1,329,034)
Basic loss per share	(0.01)	(0.01)	(0.01)	(0.02)
Diluted loss per share	(0.01)	(0.01)	(0.01)	(0.02)

SUMMARY OF QUARTERLY RESULTS (continued)

Variations in the Company's net losses, revenues and expenses for the periods above resulted primarily from the following factors:

- Revenue and cost of goods sold: The increase in revenue in the current quarter in comparison to the same period in the prior year is the result of the Company's acquisition of C&R Pharmacy on September 18, 2024.
- Selling, general and administrative: Selling, general and administrative costs relate to administrative expenses, professional and consulting fees, regulatory fees, amortization and fees incurred in relation to the operation of C&R Pharmacy. For additional commentary on the changes within selling, general and administrative expenses, see the *Selling, General and Administrative* section above.
- Research and development: The Company continues to develop additional products under its drug development programs, resulting in expenses relating to the filing of drug formulation dossiers. The timing of expenses of this nature fluctuate and are expensed as incurred. The primary focus of the Company's research and development activities is its PARP-1 inhibitor project. The decrease in research and development expenses noted during the current period in comparison to the same period in the prior year is due to the Company no longer having to pay an annual FDA fee on the license approvals of pemetrexed and bortezomib. For more information regarding the nature of the expenses included with research and development, see the *Research and Development* section above.

LIQUIDITY AND CAPITAL RESOURCES

The Company's consolidated financial statements have been prepared in accordance with IFRS with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation.

The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate an acquisition of a participation in or an interest in properties, assets, or businesses. Such an acquisition will be subject to regulatory approval and may be subject to shareholder approval. The condensed consolidated interim financial statements do not include any adjustments to assets or liabilities should the Company be unable to continue in existence.

Sources and Uses of Cash

The following is a summary of cash flows provided (used) in the nine months ended September 30, 2025 and 2024:

For the nine months ended September 30	2025	2024
Cash used in operating activities	\$ (368,682)	\$ (315,750)
Cash flows from financing activities	154,988	1,113,684
Cash flows from investing activities	45,397	(611,650)
Net increase (decrease) in cash	\$ (168,297)	\$ 186,284

Cash used in operating activities for the nine months ended September 30, 2025 was \$368,682 compared to cash used in operating activities of \$315,750 for the nine months ended September 30, 2024. The changes are summarized in the table below:

Sources and Uses of Cash (continued)

For the nine months ended September 30	2025	2024
Cash (used in) provided by:		
Net loss for the period	\$ (301,906)	\$ (881,871)
Finance expense, net	131,851	110,924
Income tax expense	1,631	-
Amortization of property and equipment	21,530	934
Amortization of intangible assets	40,993	2,302
Amortization of other asset	78,284	78,284
Foreign exchange loss (gain)	(29,261)	12,035
Interest paid, net	(118,852)	(111,062)
Income taxes paid	(3,000)	-
Changes in working capital accounts:		
Accounts receivable	152,902	80,029
Inventory	1,336	(168,741)
Prepaid expenses	15,470	185,388
Accounts payable and accrued liabilities	(359,660)	376,028
Cash used in operating activities	(368,682)	(315,750)

The Company incurred additional amortization during the nine month period ended September 30, 2025 in comparison to the nine month period ended September 30, 2024, in connection with the acquisition of C&R Pharmacy on September 18, 2024.

Cash flows from financing activities for the nine month period ended September 30, 2025 were \$154,988 compared to \$1,113,684 for the nine month period ended September 30, 2024. The cash flows from financing activities are summarized in the table below:

For the nine months ended September 30	2025	2024
Bank indebtedness	\$ 180,046	\$ 1,113,684
Repayment of lease liability	(25,058)	-
Cash flows from financing activities	\$ 154,988	\$ 1,113,684

Financing activities during the nine month period ended September 30, 2025 included the Company drawing on its bank indebtedness, in addition to the Company repaying its lease liability, which was acquired as part of the acquisition of C&R Pharmacy. During the nine month period ended September 30, 2024, cash flows from financing activities only included the Company drawing on its bank indebtedness.

Cash flows from investing activities for the nine months ended September 30, 2025 were \$45,397 compared to nil during the nine months ended September 30, 2024. The cash flows from investing activities are summarized in the table below:

For the nine months ended September 30	2025	2024
Acquisition of C&R Pharmacy	\$ (219,123)	\$ (611,650)
Proceeds from sale of non-current assets	264,520	-
Cash flows from investing activities	\$ 45,397	\$ (611,650)

During the nine month period ended September 30, 2025, \$219,123 of the remaining purchase consideration was paid to the seller of C&R Pharmacy in relation to inventory acquired as part of the acquisition. In addition, the Company completed its transfer of the pemetrexed and bortezomib licenses to the Licensor, in exchange for consideration of \$264,520.

During the nine month period ended September 30, 2024, the Company paid \$611,650 as part of its acquisition of C&R Pharmacy on September 18, 2024.

Funding Requirements

The Company has not been profitable through September 30, 2025, and as a result, it has financed its operating expenditures and capital costs. Operational activities during the three and nine months ended September 30, 2025 were financed by the line of credit obtained by the Company during 2021.

The Company will consider investments through public or private financings. The Company's development programs are modular and can be scaled to accommodate the Company's financing strategy and timing.

Working Capital

The Company had working capital of (\$3,054,761) at September 30, 2025, compared to working capital of (\$3,128,739) at December 31, 2024. The increase in working capital of \$73,978 was primarily related to the Company decreases its accounts payable and accrued liabilities balance during the nine month period ended September 30, 2025. The Company reduced its liabilities using the proceeds from the sale of the licenses of pemetrexed and bortezomib, which were transferred back to the Licensor during the current period.

LIQUIDITY RISK

The Company manages liquidity risk through maintaining sufficient cash to finance its operations and seeking financing from existing shareholders and outside investors as required. The Company may have a working capital deficiency in the next twelve months if it is unable to raise enough cash to finance its planned business operations. If the Company does have a working capital deficiency, it may not be able to pay continuing obligations as they become due such as the commitments listed in "*Contractual Obligations*" below. The Company intends to satisfy its continuing operating expenditures through existing cash on hand and through future equity offerings. Using the proceeds from future equity offerings, the Company will work toward the commercialization of current and future generic drugs in which it holds a license and may acquire additional products or licenses or fund additional developments internally. If financing is not available on reasonable terms as a result of external factors, such as disruptions in the capital markets, the Company's liquidity may be affected.

CONTRACTUAL OBLIGATIONS

In the normal course of business, the Company may from time to time be subject to various claims or possible claims. Although management currently believes there are no claims or possible claims that if resolved would either individually or collectively result in a material adverse impact on the Company's financial position, results of operations, or cash flows, these matters are inherently uncertain and management's view of these matters may change in the future.

Commitments

As at September 30, 2025, and in the normal course of business, the Company has obligations to make future payments representing contracts and other commitments that are known and committed. The Company, through a subsidiary, C&R Pharmacy, has committed to a retail space lease at a monthly rate of USD\$2,000. The Company's lease obligation has a term ending in 2029.

OUTSTANDING SHARE CAPITAL

As of November 26, 2025, 54,000,000 Common Shares were issued and outstanding. Other outstanding securities convertible into Common Shares are summarized in the following table:

	Number of Common Shares, Options and Warrants Outstanding as of November 26, 2025	Number of Options and Warrants exercisable into Common Shares as of November 26, 2025	Number of Common Shares, Options and Warrants Outstanding as of September 30, 2025
Common shares issued and outstanding ⁽¹⁾⁽²⁾	54,000,000	-	54,000,000
Options ⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾⁽⁸⁾⁽⁹⁾⁽¹⁰⁾⁽¹²⁾⁽¹³⁾	525,000	525,000	525,000
Warrants ⁽¹¹⁾	10,000,000	10,000,000	10,000,000

Notes:

- (1) On October 24, 2017, pursuant to the Amalgamation, 14,000,000 Buffalo Shares converted into 14,000,000 Resulting Issuer Shares at the Buffalo Exchange Ratio at a deemed price of \$0.50 per Resulting Issuer Share.
- (2) On October 24, 2017, pursuant to the Amalgamation, 100 Old Waverley Shares converted into 40,000,000 Resulting Issuer Shares at the Waverley Exchange Ratio at a deemed price of \$0.50 per Resulting Issuer Share.
- (3) On October 24, 2017, pursuant to the Amalgamation, 300,000 Buffalo options to purchase one (1) Buffalo Share were converted into Resulting Issuer options at a 1:1 exchange ratio entitling the holder to purchase one (1) Resulting Issuer Share per Resulting Issuer option at an exercise price of \$0.20 per Resulting Issuer Share.
- (4) On October 24, 2017, the Company granted 1,000,000 options to certain directors and a consultant of the Company with each option entitling the holder to purchase one (1) Resulting Issuer Share at an exercise price of \$0.50 per Resulting Issuer Share and expiring October 24, 2027.
- (5) On August 1, 2018, the Company granted 400,000 options to certain directors and an officer of the Company and its subsidiaries with each option entitling the holder to purchase one (1) common share of the Company at an exercise price of \$0.26 per common share and expiring August 1, 2023.
- (6) On December 1, 2018, the Company granted 50,000 options to an employee of the Company with each option entitling the holder to purchase one (1) common share of the Company at an exercise price of \$0.285 per common share and expiring December 1, 2023.
- (7) On February 1, 2020, the Company granted 250,000 options to certain directors and officers of the Company with each option entitling the holder to purchase one (1) common share of the Company at an exercise price of \$0.10 per common share and expiring February 1, 2025.
- (8) On March 2, 2020, the Company granted 25,000 options to an employee of the Company, with each option entitling the holder to purchase one (1) common share of the Company at an exercise price of \$0.10 per common share and expiring March 2, 2025.
- (9) During the year-ended December 31, 2020, 765,000 previously granted options were forfeited/expired as a result of certain officers and directors of the Company and its subsidiaries leaving their position and not exercising their options in the time frame stated within the stock option plan.
- (10) During the period ended June 30, 2021, 110,000 previously granted options were forfeited/expired because certain directors and consultants of the Company and its subsidiaries ceased to be involved with the Company and did not exercise their options in the time frame stated within the stock option plan.
- (11) On August 5, 2021, the Company announced that it had obtained a \$3,000,000 credit facility through its primary financial institution. The necessary collateral for the credit facility was provided by a related party to the Company. To compensate the related party for providing the necessary collateral for the credit facility, the Company elected to issue 10,000,000 stock warrants, each convertible into one (1) common share. The exercise price of each stock warrant is \$0.11, and each stock warrant has a contractual life of five years from the date of issuance.
- (12) During the nine month period ended September 30, 2024, 325,000 previously granted options were forfeited/expired because certain directors of the Company ceased to be involved with the Company and did not exercise their options in the time frame stated within the stock option plan.
- (13) On February 1, 2025, 225,000 previously granted options expired without exercise.

TRANSACTIONS WITH RELATED PARTIES

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Board of Directors, Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”) of the Company are considered to be key management personnel. The CEO of the Company is a consultant through a consulting agreement which was signed on February 1, 2020.

The following table details the compensation paid to key management personnel:

	Three months ended September 30		Nine months ended September 30	
	2025	2024	2025	2024
Salaries and fees	\$ 10,500	\$ 12,000	\$ 33,500	\$ 49,500
	\$ 10,500	\$ 12,000	\$ 33,500	\$ 49,500

During the three and nine months ended September 30, 2025, the Company paid GVI Clinical Development Solutions Inc. (“GVI CDS”), a company controlled by a director of the Company, a total of nil and \$47,806, respectively (2024 – \$10,689 and \$52,520) for regulatory affairs consulting.

During the three and nine months ended September 30, 2024, the Company paid CanAm Bioresearch Inc. (“CanAm”), a company controlled by a director of the Company, \$33,000 and \$132,000, respectively, for research services in connection with the Company’s PARP-1 development project. During the three and nine month period ended September 30, 2025, the Company did not pay any amounts to CanAm.

These transactions were in the normal course of business and have been measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. As at September 30, 2025, included in accounts payable and accrued liabilities is \$2,109 (December 31, 2024 - \$47,714) payable to GVI CDS.

Effective May 1, 2024, the Company amended its agreement with its CEO, amending the annual fee from \$45,000 to \$24,000. Effective May 1, 2025, the Company amended its agreement with its CEO, amending the annual fee from \$24,000 to \$18,000. The Company can terminate the agreement with 30 days written notice, otherwise the agreement has an indefinite term. As at September 30, 2025, included within accounts payable and accrued liabilities is \$1,500 payable to the CEO as a result of this agreement (December 31, 2024 – \$4,000).

Effective May 1, 2024, the Company amended its agreement with its CFO through 10055098 Manitoba Ltd., amending the annual fee from \$43,500 to \$24,000. The fee is reviewed annually on or about January 1. The Company can terminate the agreement with 30 days written notice, otherwise the agreement has an indefinite term. As at September 30, 2025 there were no amounts payable to 10055098 Manitoba Ltd as a result of this agreement (December 31, 2024 – nil).

On August 05, 2021, the Company entered into an agreement with its primary financial institution, pursuant to which the financial institution provided the Company with a line of credit with maximum aggregate proceeds of \$3,000,000. The collateral necessary to secure the line of credit was provided by a director of the Company. To compensate the director for providing the collateral for the line of credit, the Company granted the director 10,000,000 warrants. Each warrant entitles the holder to purchase one (1) common share of the Company and is exercisable within five years of the date of grant at an exercise price of \$0.11 per common share.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the condensed consolidated financial statements in conformity with IFRS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses during the period.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Areas in which management has made critical judgments in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements include the determination of the Company's and its subsidiaries' functional currencies.

Information about key assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year are included in the following notes to the consolidated financial statements for the year ended December 31, 2024:

- Estimates of the valuation of intangible assets
- The measurement and valuation of intangible assets and contingent consideration acquired and recorded as business combinations

The condensed consolidated interim financial statements have been prepared on a going concern basis which contemplates the realization of assets and the payment of liabilities in the ordinary course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and meet its liabilities as they become due.

The Company is a research and development stage company and as such is primarily dependent on financing provided from external sources to continue as a going concern. Management intends to use its available funding to improve its current operations, and increase revenue in order to fund future operations, however, the outcome of these matters cannot be predicted at this time. In addition, during the nine month period ended September 30, 2025, the company incurred a net loss of \$301,906 (2024 – \$881,871), with cash used in operating activities of \$368,682 (2024 - \$315,750) and, as at September 30, 2025 has a deficit of \$10,644,127 (December 31, 2024 - \$10,342,221).

OFF BALANCE SHEET ITEMS

The Company has no off-balance sheet arrangements.

PROPOSED TRANSACTIONS

The Company has no proposed transactions.

FINANCIAL INSTRUMENTS AND RISKS

The Company's financial instruments at September 30, 2025 and December 31, 2024 consist of the following:

	September 30, 2025	December 31, 2024
Financial Assets		
Cash	\$ 67,632	\$ 235,929
Accounts receivable	55,779	208,681
Financial Liabilities		
Accounts payable and accrued liabilities	(411,337)	(1,010,960)
Bank Indebtedness	(2,990,429)	(2,810,383)

The Company initially recognizes a financial asset on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets and liabilities are offset, and the net amount presented in the consolidated statements of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

The Company has classified all of its non-derivative financial assets as financial assets measured at amortized cost. The Company has not classified any assets financial assets measured at fair value through profit or loss or fair value through other comprehensive income.

A non-derivative financial asset is measured at amortized cost when both of the following conditions are met: (i) the asset is held within a business model whose objective is to hold assets in order to collect the contractual cash flows; and (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Such assets are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortized cost. Financial assets measured at amortized cost are comprised of cash and amounts receivable.

All financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. Such financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. All financial liabilities are measured at amortized cost, except for financial liabilities measured at fair value through profit or loss. A financial liability may no longer be reclassified subsequent to initial recognition. Subsequent to initial recognition, financial liabilities are measured at amortized cost using the effective interest method.

The Company has the following non-derivative financial liabilities which are classified as financial liabilities measured at amortized cost: accounts payable and accrued liabilities and license fee payable.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or when they expire.

FINANCIAL INSTRUMENTS AND RISKS (continued)

The Company is exposed to currency risks through the following USD and GBP denominated financial assets and liabilities:

	September 30, 2025	December 31, 2024
<i>USD (Expressed in USD)</i>		
Cash	\$ 42,044	\$ 155,844
Accounts receivable	36,877	82,973
Accounts payable and accrued liabilities	(175,466)	(522,741)
Current portion – lease obligation	(31,538)	(25,794)
Lease obligation	(135,803)	(152,139)
	\$ (263,886)	\$ (461,857)
<i>GBP (Expressed in GBP)</i>		
Cash	£ 2,811	£ 4,301
Accounts receivable	-	45,908
Accounts payable and accrued liabilities	(3,500)	(43,909)
	£ (689)	£ 6,300

Based on the above net exposures as at September 30, 2025, assuming that all other variables remain constant, a 5% appreciation or deterioration of the Canadian dollar against the USD would result in a corresponding increase or decrease, respectively on the Company's net loss of approximately \$13,195 (December 31, 2024 – \$23,093). Based on the above net exposures as at September 30, 2025, assuming that all other variables remain constant, a 5% appreciation or deterioration of the Canadian dollar against the GBP would result in a corresponding decrease or increase, respectively on the Company's net loss of approximately \$35 (December 31, 2024 – \$315).

RISKS AND UNCERTAINTIES

The following are certain factors relating to the business of the Company. These risks and uncertainties are not the only ones facing the Company. Additional risks and uncertainties not currently known to the Company, or that the Company currently deems immaterial, may also impair the operations of the Company. If any such risks actually occur, the financial condition, liquidity and results of operations of the Company could be materially adversely affected and the ability of the Company to implement its plans could be adversely affected.

Substantial Capital Requirements

Substantial additional funds for the establishment of the Company's planned operations will be required. No assurances can be given that the Company will be able to raise the additional funding that may be required for such activities. To meet such funding requirements, the Company may be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or at all. If the Company is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations or anticipated expansion.

Competition

The health care industry is intensely competitive in all its phases. The Company competes with other companies that have greater financial resources. Competition could adversely affect the Company's ability to acquire suitable prospects in the future.

Nature of the Securities

The purchase of the Company's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. The Company's securities should not be purchased by persons who cannot afford the possibility of the loss of their entire investment.

RISKS AND UNCERTAINTIES (continued)

Financing Risks and Dilution to Shareholders

The Company has limited financial resources and is not currently profitable. If the Company's business plan is successful, additional funds will be required. There can be no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be available on favorable terms or at all. It is likely such additional capital will be raised through the issuance of additional equity, which will result in dilution to the Company's shareholders.

Price Volatility of Public Stock

In recent years, securities markets have experienced extremes in price and volume volatility. The market price of securities of many early-stage companies, among others, have experienced fluctuations in price which may not necessarily be related to the operating performance, underlying asset values or prospects of such companies. It may be anticipated that any market for the Company's shares will be subject to market trends generally and the value of the Company's shares on a stock exchange may be affected by such volatility.

Economic Conditions

Unfavorable economic conditions may negatively impact the Company's financial viability as a result of increased financing costs and limited access to capital markets.

Dependence on Management

The Company is very dependent upon the personal efforts and commitment of its existing management. To the extent that management's services would be unavailable for any reason, a disruption to the operations of the Company could result, and other persons would be required to manage and operate the Company.

Conflicts of Interest

The Company's directors and officers may serve as directors and officers of, or may be associated with other reporting companies or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding terms respecting the transaction. If a conflict of interest arises, the Company will follow the provisions of the CBCA in dealing with conflicts of interest. These provisions state, where a director/officer has such a conflict, that the director/officer must at a meeting of the board of directors, disclose his interest and refrain from voting on the matter unless otherwise permitted by the CBCA. In accordance with the laws of Canada, the directors and officers of the Company are required to act honestly, in good faith and in the best interest of the Company.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

Dividends

The Company has no earnings or dividend record and is unlikely to pay any dividends in the foreseeable future as it intends to employ available funds for corporate and business development activities. Any future determination to pay dividends will be at the discretion of the board of directors and will depend on the Company's financial condition, results of operations, capital requirements and such other factors as the board of directors deem relevant.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

Additional disclosure concerning Waverley's expenses are provided in the Company's statement of net loss and comprehensive loss and note disclosures contained in its condensed consolidated financial statements for the three and nine month period ended September 30, 2025. These statements are available on Waverley's SEDAR page accessed through www.sedarplus.ca.

Management's Responsibility for Financial Statements

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements.

In contrast to the certificate required under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings ("**NI 52-109**"), the Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("**DC&P**") and internal control over financial reporting ("**ICFR**"), as defined in NI 52-109, in particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- i. controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized, and reported within the time periods specified in securities legislation; and
- ii. a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

APPROVAL

The Board of Directors oversees management's responsibility for financial reporting and internal control systems through an Audit Committee. This Committee intends to meet periodically with management and annually with the independent auditors to review the scope and results of the annual audit and to review the financial statements and related financial reporting and internal control matters before the financial statements are approved by the Board of Directors and submitted to the shareholders of the Company. The Board of Directors has approved the financial statements and the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

Dated: November 26, 2025