

**PharmaCorp Rx Inc.**

**Condensed Consolidated Interim Financial Statements**

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

(Expressed in Canadian dollars)  
(unaudited)

# PharmaCorp Rx Inc.

## Condensed Consolidated Interim Statements of Financial Position

As at: September 30, 2025 and December 31, 2024

(Expressed in Canadian dollars)

As at	Note	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<b>Assets</b>			
Current assets			
Cash		\$ 5,024,801	\$ 12,886,556
Accounts receivable	16	785,928	326,783
Inventories	5	2,464,249	1,313,039
Prepaid expenses and deposits		188,169	48,026
<b>Total current asset</b>		<u>8,463,147</u>	<u>14,574,404</u>
Deposits for business acquisitions	17	5,035,030	-
Property and equipment	6	3,492,727	3,482,451
Right of use assets	8	737,719	542,230
Intangible assets	7	7,953,698	5,133,787
Goodwill	7	14,028,756	11,476,170
<b>Total assets</b>		<u>\$ 39,711,077</u>	<u>\$ 35,209,042</u>
<b>Liabilities</b>			
Current liabilities			
Accounts payable and accruals		\$ 2,840,588	\$ 1,536,268
Taxes payable		10,954	10,521
Current portion of lease liabilities	8	88,475	73,972
Current portion of long-term debt	9	88,403	-
Current portion of Credit facility	10	316,279	75,412
<b>Total current liabilities</b>		<u>3,344,699</u>	<u>1,696,173</u>
Credit Facility	10	2,846,509	-
Long-term debt	9	299,346	318,206
Lease liabilities	8	679,889	485,487
Deferred tax liability		2,328,123	2,142,912
<b>Total liabilities</b>		<u>9,498,566</u>	<u>4,642,778</u>
<b>Equity</b>			
Share capital	11	31,695,204	31,695,204
Contributed surplus		879,801	674,733
Deficit		(2,595,830)	(2,026,156)
<b>Equity attributable to owners of the parent</b>		<u>29,979,175</u>	<u>30,343,781</u>
Non-controlling interest		233,336	222,483
<b>Total equity</b>		<u>30,212,511</u>	<u>30,566,264</u>
<b>Total liabilities and equity</b>		<u>\$ 39,711,077</u>	<u>\$ 35,209,042</u>

Subsequent Events (Note 17)

Approved on behalf of the Board of Directors:

(signed)  
Director

(signed)  
Director

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

# PharmaCorp Rx Inc.

## Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Expressed in Canadian dollars)

	Note	Three months ended		Nine months ended	
		September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Sales	12	\$ 4,802,259	\$ 1,104,423	\$ 13,204,926	\$ 1,395,839
Cost of sales		<u>2,843,299</u>	<u>688,999</u>	<u>7,873,505</u>	<u>881,751</u>
Gross profit		<u>1,958,960</u>	<u>415,424</u>	<u>5,331,421</u>	<u>514,088</u>
Operating expenses					
Depreciation	6,7,8	222,331	75,883	598,429	98,311
General and administrative		397,577	105,357	1,122,287	168,229
Share-based payment expense	11	205,068	731,385	205,068	731,385
Professional fees		504,419	254,188	880,556	1,013,944
Interest on long term debt	9,10	9,408	6,223	20,325	8,311
Salaries, wages and benefits		<u>1,128,381</u>	<u>364,034</u>	<u>3,126,413</u>	<u>448,719</u>
Loss from operations		<u>(508,223)</u>	<u>(1,121,646)</u>	<u>(621,657)</u>	<u>(1,954,811)</u>
Other income (expense)					
Accretion expense	8	(10,395)	(7,430)	(26,429)	(9,727)
Rental income		32,857	1,200	98,000	1,200
Other income		1,500	-	12,341	-
Interest income		<u>56,182</u>	<u>151,083</u>	<u>243,925</u>	<u>189,749</u>
		<u>80,144</u>	<u>144,853</u>	<u>327,837</u>	<u>181,222</u>
Net loss before income taxes		<u>(428,079)</u>	<u>(976,793)</u>	<u>(293,820)</u>	<u>(1,773,589)</u>
Current income tax expense		28,256	9,098	361,554	10,797
Deferred tax recovery		<u>(47,158)</u>	<u>(8,270)</u>	<u>(114,769)</u>	<u>(10,218)</u>
Net loss and comprehensive loss		<u>\$ (409,177)</u>	<u>\$ (977,621)</u>	<u>\$ (540,605)</u>	<u>\$ (1,774,168)</u>
Net income (loss) attributable to non-controlling interests		\$ 18,339	\$ (1,760)	\$ 29,069	\$ (2,023)
Net loss attributable to shareholders of PharmaCorp Rx Inc.		<u>(427,516)</u>	<u>(975,861)</u>	<u>(569,674)</u>	<u>(1,772,145)</u>
Net loss and comprehensive loss		<u>\$ (409,177)</u>	<u>\$ (977,621)</u>	<u>\$ (540,605)</u>	<u>\$ (1,774,168)</u>
Loss per share					
Basic and diluted	11	\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.03)
Weighted average number of shares	11	117,295,525	113,157,839	117,295,525	69,786,691

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

# PharmaCorp Rx Inc.

## Condensed Consolidated Interim Statements of Changes in Equity

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

(Expressed in Canadian dollars)

	Note	Shares Number	Amount	Contributed Surplus Amount	Retained Deficit	Non-Controlling Interest	Total
<b>Balance December 31, 2023</b>		<b>40,278,400</b>	<b>\$ 2,798,865</b>	<b>\$ 488,792</b>	<b>\$ (1,013,331)</b>	<b>\$ -</b>	<b>2,274,326</b>
Net loss and comprehensive loss		-	-	-	(202,469)	-	(202,469)
Exercise of warrants	10	1,632,600	260,473	(97,213)	-	-	163,260
Shares issued in connection with SFP acquisition	4	2,730,075	1,092,030	-	-	-	1,092,030
Shares issued in connection with tranching public offering	10	51,994,146	19,692,262	-	-	-	19,692,262
<b>Balance September 30, 2024</b>		<b>96,635,221</b>	<b>\$ 23,843,630</b>	<b>\$ 391,579</b>	<b>\$ (1,215,800)</b>	<b>\$ -</b>	<b>23,019,409</b>
<b>Balance December 31, 2024</b>		<b>117,295,525</b>	<b>\$ 31,695,204</b>	<b>\$ 674,733</b>	<b>\$ (2,026,156)</b>	<b>\$ 222,483</b>	<b>\$ 30,566,264</b>
Stock options granted		-	-	205,068	-	-	205,068
Distribution to non-controlling interest owners		-	-	-	-	(18,216)	(18,216)
Net income (loss) and comprehensive income (loss)		-	-	-	(569,674)	29,069	(540,605)
<b>Balance September 30, 2025</b>		<b>117,295,525</b>	<b>\$ 31,695,204</b>	<b>\$ 879,801</b>	<b>\$ (2,595,830)</b>	<b>\$ 233,336</b>	<b>\$ 30,212,511</b>

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

# PharmaCorp Rx Inc.

## Condensed Consolidated Interim Statements of Cash Flows

(Expressed in Canadian dollars)  
(unaudited)

	Nine months ended	
	September 30, 2025	September 30, 2024
<b>Cash provided by (used in)</b>		
<b>Operating activities</b>		
Net loss	\$ (540,605)	\$ (1,774,168)
Adjustments for items not involving cash		
Deferred tax recovery	(114,769)	(10,218)
Depreciation and amortization	6,7,8 598,429	98,311
Interest on long term debt	9 20,325	8,311
Share-based payment expense	11 205,068	731,385
Accretion on lease liabilities	8 26,429	9,727
	<u>194,877</u>	<u>(936,652)</u>
Net changes in non-cash working capital items	13 298,090	(52,941)
<b>Net cash provided by (used in) operating activities</b>	<u>492,967</u>	<u>(989,593)</u>
<b>Financing activities</b>		
Repayment of long-term debt	9 (78,852)	(33,449)
Proceeds from credit facility	10 3,162,788	-
Exercise of warrants	11 -	163,260
Proceeds from share issuance	-	27,327,975
Distribution to non-controlling interest owners	(18,216)	-
Lease payments	8 (83,298)	(22,575)
<b>Net cash provided by financing activities</b>	<u>2,982,422</u>	<u>27,435,211</u>
<b>Investing activities</b>		
Cash paid in business combination less cash acquired	4 (4,143,866)	(2,003,901)
Acquired Charter	7 (2,090,000)	-
Deposits for business acquisitions	17 (5,035,030)	-
Purchases of property and equipment	6 (68,248)	(6,890)
<b>Net cash used in investing activities</b>	<u>(11,337,144)</u>	<u>(2,010,791)</u>
Net change in cash during the period	<u>(7,861,755)</u>	<u>24,434,827</u>
Cash		
Beginning of period	\$ 12,886,556	\$ 2,241,761
End of period	<u>\$ 5,024,801</u>	<u>\$ 26,676,588</u>

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

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# PharmaCorp Rx Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

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

(Expressed in Canadian dollars)  
(unaudited)

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### 1. Nature of operations

PharmaCorp Rx Inc. (the "Company") was incorporated on September 1, 2021, by Certificate of Incorporation issued pursuant to the provisions of the Business Corporations Act (Alberta). The head office and registered office of the Company is located at Suite #203, 303 Wellman Lane, Saskatoon, Saskatchewan, S7T 0J1.

PharmaCorp was initially classified as a Capital Pool Company ("CPC") as defined in Policy 2.4 of the TSX Venture Exchange (the "Exchange") effective September 1, 2021, until July 22, 2024, when it became a reporting issuer and legally changed its name to PharmaCorp Rx Inc. under the symbol "PCRX".

PharmaCorp's principal business activity is focused towards seeking to identify and evaluate assets or businesses in the pharmacy industry with a view to potentially acquire them or an interest therein.

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### 2. Basis of presentation

#### (a) Statement of compliance

These interim consolidated financial statements and the notes thereto present the Corporation's financial result of operations and financial position in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board ("IASB") and interpretation of the IFRS Interpretations Committee. They have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting" and accordingly these interim consolidated financial statements do not include all the necessary annual disclosures in accordance with IFRS. These interim consolidated financial statements as at and for the three and nine months ended September 30, 2025, were authorized for issuance by the Board of Directors of the Corporation on November 28, 2025.

These interim consolidated financial statements should be read in conjunction with the Corporation's annual audited consolidated financial statements for the year ended December 31, 2024.

#### (b) Basis of measurement

These unaudited condensed consolidated interim financial statements are prepared on a going concern basis, under the historical cost basis.

#### (c) Functional and presentation currency

These unaudited condensed consolidated interim financial statements are presented in Canadian dollars, which is also the Company's functional currency.

#### (d) Basis of consolidation

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has the right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

These condensed consolidated interim financial statements include the accounts of the Company and the following entity, which is a subsidiary of the Company:

Subsidiary	Jurisdiction of incorporation	Functional currency	Proportion of ownership interest held by the Company	
			September 30, 2025	September 30, 2024
Saskatoon Family Pharmacy Ltd.	Canada	CAD	75%	75%
Western Canada #1	Canada	CAD	90%	90%
Atlantic Canada #1	Canada	CAD	100%	-%
Western Canada #2	Canada	CAD	100%	-%

All intercompany transactions and balances with subsidiaries have been eliminated.

# PharmaCorp Rx Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended September 30, 2025 and 2024  
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### 2. Basis of presentation *(continued)*

There are no restrictions on the Company's ability to access or use the assets of its subsidiaries or settle their liabilities.

Non-controlling interests ("NCI") are initially measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

When the parent loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

### 3. Material accounting policies

The accounting policies and critical judgments and estimates applied in these condensed consolidated interim financial statements are consistent with those applied and disclosed in the Company's annual financial statements for the year ended December 31, 2024.

### 4. Business combinations

#### *Acquisition of Saskatoon Family Pharmacy Ltd.*

On June 5, 2024, PharmaCorp acquired a 75% interest in the issued and outstanding common shares of Saskatoon Family Pharmacy Ltd. ("SFP"). The consideration paid consisted of 2,769,727 in shares and cash with a total fair value of \$1,139,613.

Non-controlling interests were calculated at \$158,725 based on their proportionate interest in the recognized amounts of the assets and liabilities of SFP.

The consideration paid and net assets acquired are as follows:

Cash	\$	80,213
Accounts receivable		53,629
Goods and Services Tax ("GST") receivable		4,151
Inventory		185,609
Prepaid expenses and deposits		36,726
Property and equipment		330,708
Right of use assets (note 7)		465,929
Intangible assets- customer lists (note 6)		907,000
Accounts payable and accruals		(264,462)
Current taxes payable		(7,601)
Long-term debt (note 8)		(437,608)
Lease liabilities (note 7)		(465,929)
Deferred tax liability		(279,882)
<b>Total identifiable net assets acquired</b>	<b>\$</b>	<b><u>608,483</u></b>
Non-controlling interests		(158,725)
Goodwill arising on acquisition		689,855
<b>Consideration transferred</b>	<b>\$</b>	<b><u>1,139,613</u></b>
<b>Consideration</b>		
Shares	\$	1,107,891
Cash		31,722
	<b>\$</b>	<b><u>1,139,613</u></b>

# PharmaCorp Rx Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

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

(Expressed in Canadian dollars)

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### 4. Business Combinations (continued)

#### Acquisition of Western Canada #1

On August 30, 2024, PharmaCorp acquired a 90% interest in a pharmacy located in Western Canada. The aggregate purchase price of \$2,320,676 for the 90% interest, paid in cash.

Non-controlling interests were calculated at \$101,868 based on their proportionate interest in the recognized amounts of the assets and liabilities of the Acquired Pharmacy.

The consideration paid and net assets acquired are as follows:

Cash	\$	123,056
Accounts receivable		61,626
Current taxes receivable		14,387
Inventory		141,423
Property and equipment		41,613
Right of use assets (note 7)		124,183
Intangible assets- customer lists (note 6)		1,120,000
Accounts payable and accruals		(186,628)
Lease liabilities (note 7)		(124,183)
Deferred tax liability		(310,938)
<b>Total identifiable net assets acquired</b>	<b>\$</b>	<b><u>1,004,539</u></b>
Non-controlling interests		(101,868)
Goodwill arising on acquisition		1,418,005
<b>Consideration transferred</b>	<b>\$</b>	<b><u>2,320,676</u></b>
<b>Consideration</b>		
Cash	\$	2,320,676
	<b>\$</b>	<b><u>2,320,676</u></b>

#### Acquisition of Atlantic Canada #1

On October 1, 2024, PharmaCorp acquired a 100% interest in a pharmacy and real estate located in Atlantic Canada. The aggregate purchase price of \$16,396,027 for the 100% interest, paid in cash and shares. The working capital adjustment on finalizing the acquisition was \$1,019,014, which includes \$8,215 of deferred income tax.

The consideration paid and net assets acquired are as follows:

Cash	\$	468,701
Accounts receivable		210,990
Inventory		1,097,307
Prepaid expenses and deposits		9,983
Property and equipment		3,173,020
Intangible assets- customer lists (note 6)		3,248,000
Accounts payable and accruals		(540,568)
Deferred tax liability		(1,681,514)
<b>Total identifiable net assets acquired</b>	<b>\$</b>	<b><u>5,985,918</u></b>
Goodwill arising on acquisition		10,410,109
<b>Consideration transferred</b>	<b>\$</b>	<b><u>16,396,027</u></b>
<b>Consideration</b>		
Cash	\$	16,196,027
Shares		200,000
	<b>\$</b>	<b><u>16,396,027</u></b>

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# PharmaCorp Rx Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

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

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### 4. Business Combinations (continued)

#### Acquisition of Western Canada #2

On July 31, 2025, PharmaCorp acquired a 100% interest in a pharmacy located in Western Canada (the "Acquired Pharmacy"). The aggregate purchase price of \$2,400,000 for the 100% interest, paid in cash. The working capital adjustment on finalizing the acquisition was \$535,869.

The consideration paid and net assets acquired are as follows:

Cash	\$	(188,982)
Accounts receivable		328,550
Inventory		446,818
Prepaid expenses and deposits		500
Property and equipment		68,083
Right of use assets - Note 7		265,774
Intangible assets - Note 6		1,163,000
Accounts payable and accruals		(41,845)
Current taxes payable		9,812
Long term debt - Note 9		(39,687)
Lease Liabilities - Note 7		(265,774)
Current portion of long-term debt - Note 9		(12,971)
Deferred tax liability		(308,195)
<b>Total identifiable net assets acquired</b>	<b>\$</b>	<b><u>1,425,083</u></b>
Non-controlling interests		-
Goodwill arising on acquisition		1,510,786
<b>Consideration transferred</b>	<b>\$</b>	<b><u>2,935,869</u></b>
<b>Consideration</b>		
Cash	\$	2,935,869
	<b>\$</b>	<b><u>2,935,869</u></b>

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### 5. Inventory

The major components of inventory are classified as follows:

As at:	September 30, 2025	December 31, 2024
Raw Materials - Lab	53,321	44,254
Inventory	2,410,928	1,268,785
<b>Total</b>	<b>\$ 2,464,249</b>	<b>\$ 1,313,039</b>

The cost of inventories recognized as expense and included in cost of goods sold, net of rebates for the quarter ended September 30, 2025, was \$7,873,505 (2024 - \$3,610,552). During 2025, the Company recorded a reserve for obsolete inventory of \$nil (2024 - \$nil).

# PharmaCorp Rx Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

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

(Expressed in Canadian dollars)

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### 6. Property and equipment

	Computer equipment	Furniture and fixtures	Leasehold improvements	Vehicles	Land	Parking lot & pavement	Building	Total
<b>Cost</b>								
Balance at December 31, 2023	\$ -	\$ -	\$ -	\$ -	-	-	-	-
Additions	6,890	-	-	-	-	-	-	6,890
Acquired in a business combination (Note 4)	19,305	93,693	309,067	7,559	250,000	20,275	2,845,441	3,545,340
Balance at December 31, 2024	26,195	93,693	309,067	7,559	250,000	20,275	2,845,441	3,552,230
Additions	46,643	13,048	-	-	-	-	8,557	68,248
Acquired in a business combination (Note 4)	762	29,361	-	37,960	-	-	-	68,083
Balance at September 30, 2025	73,600	136,102	309,067	45,519	250,000	20,275	2,853,998	3,688,561
<b>Accumulated Depreciation</b>								
Balance at December 31, 2023	-	-	-	-	-	-	-	-
Depreciation	4,001	7,928	51,415	567	-	405	5,463	69,779
Balance at December 31, 2024	4,001	7,928	51,415	567	-	405	5,463	69,779
Depreciation	17,174	15,042	67,131	3,472	-	7,012	16,224	126,055
Balance at September 30, 2025	\$ 21,175	\$ 22,970	\$ 118,546	\$ 4,039	-	7,417	21,687	195,834
Net book value at December 31, 2024	\$ 22,194	\$ 85,765	\$ 257,652	\$ 6,992	250,000	19,870	2,839,978	3,482,451
Net book value at September 30, 2025	\$ 52,425	\$ 113,132	\$ 190,521	\$ 41,480	250,000	12,858	2,832,311	3,492,727

### 7. Goodwill and intangible assets

	Charter	Customer List	Goodwill	Total
<b>Gross carrying amount</b>				
Balance at December 31, 2023	\$ -	\$ -	\$ -	\$ -
Acquired in a business combination (Note 4)	-	5,306,000	11,476,170	16,782,170
Balance at December 31, 2024	-	5,306,000	11,476,170	16,782,170
Working capital adjustment on business combination (Note 4)	-	(31,000)	1,041,799	1,010,799
Acquired in a business combination (Note 4)	-	1,163,000	1,510,787	2,673,787
Acquired Charter*	2,090,000	-	-	2,090,000
Balance at September 30, 2025	\$ 2,090,000	\$ 6,438,000	14,028,756	\$ 22,556,756
<b>Amortization</b>				
Balance at December 31, 2023	\$ -	\$ -	\$ -	\$ -
Amortization	-	172,213	-	172,213
Balance at December 31, 2024	-	172,213	-	172,213
Amortization	-	402,089	-	402,089
Balance at September 30, 2025	\$ -	\$ 574,302	\$ -	\$ 574,302
Balance at December 31, 2024	\$ -	\$ 5,133,787	11,476,170	\$ 16,609,957
Balance at September 30, 2025	\$ 2,090,000	\$ 5,863,698	14,028,756	\$ 21,982,454

\* Due to ownership restrictions under Ontario's Drug and Pharmacies Regulations Act, a corporations not owned by pharmacists – including publicly traded companies – are prohibited from directly owning pharmacies. Through the acquisition of Charter Company, PharmaCorp is now able to indirectly own and operate pharmacies across Ontario in compliance with these regulations.

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# PharmaCorp Rx Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

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

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### 8. Leasing activities

<b>Right-of-Use Assets</b>	<b>Building</b>
Balance, December 31, 2023	\$ -
Acquired in a business combination (Note 4)	590,112
Depreciation	<u>(47,882)</u>
Balance, December 31, 2024	542,230
Acquired in a business combination (Note 4)	265,774
Depreciation	<u>(70,285)</u>
<b>Balance at September 30, 2025</b>	<b>\$ <u>737,719</u></b>

<b>Lease Liability</b>	<b>Building</b>
Balance, December 31, 2023	\$ -
Acquired in a business combination (Note 4)	590,112
Accretion	18,174
Lease payments	<u>(48,827)</u>
Balance at December 31, 2024	<b>\$ <u>559,459</u></b>
Acquired in a business combination (Note 4)	265,774
Accretion	26,429
Lease payments	<u>(83,298)</u>
<b>Balance at September 30, 2025</b>	<b>\$ <u>768,364</u></b>
Current portion	88,475
Non-current portion	679,889
<b>Total Lease Liability</b>	<b>\$ <u>768,364</u></b>

Maturity analysis – contractual undiscounted cash flows as at September 30, 2025:

Less than one year	\$ 132,246
Later than one but less than two years	137,211
More than two years	<u>725,235</u>
Total undiscounted lease obligations at September 30, 2025	<b>\$ <u>994,692</u></b>
Less impact of discounting	<u>(314,803)</u>
Lease liability recorded on consolidated balance sheet	<b>\$ <u>679,889</u></b>

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# PharmaCorp Rx Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

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

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### 9. Long-term debt

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
BMO term loan, payable in monthly fixed principal payments of \$6,284, plus interest at 5.83% due September 2030.	\$ 337,059	\$ 393,618
Acquired vehicle loan in a business combination, payable in bi-weekly payments of \$517, which includes interest at 0.99%	50,690	-
Less: Current portion	<u>(88,403)</u>	<u>(75,412)</u>
Long-term debt	<u>\$ 299,346</u>	<u>\$ 318,206</u>

Principal repayments on long-term debt in each of the next five years, assuming long-term debt subject to refinancing is renewed, are estimated as follows as at September 30, 2025:

<b>Principal repayment</b>	
2025	\$ 22,338
2026	88,437
2027	88,567
2028	88,697
2029	83,132
2030	16,578
	<u>\$ 387,749</u>

### 10. Credit facility

The Corporation has secured a credit facility of which \$3,162,788 has been drawn down on as at September 30, 2025. Principle payments are made on a yearly basis and mature April 30, 2035. Interest is paid at monthly CORRA term rates ("CORRA" means the Canadian Overnight Repo Rate Average administered and published by the Bank of Canada). The Corporation must maintain certain financial ratios to comply with the facilities. These covenants include a debt to adjusted EBITDA ratio and fixed charge coverage ratio. As at the end of September 30, 2025, the Corporation is in compliance with all covenants.

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
CIBC term loan	\$ 3,162,788	\$ -
Less: Current portion	<u>(316,279)</u>	<u>-</u>
Long-term debt	<u>\$ 2,846,509</u>	<u>\$ -</u>

Principal repayments on the credit facility in each of the next five years are estimated as follows:

<b>Principal repayment</b>	
2025	\$ 316,279
2026	316,279
2027	316,279
2028	316,279
2029	316,279
2030	1,581,393
	<u>\$ 3,162,788</u>

# PharmaCorp Rx Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

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### 11. Share capital

#### a) Authorized, unlimited number

Unlimited number of common shares and preferred shares which are issuable in series.

#### b) Issued and outstanding, common shares

	Number of Shares		Amount
Balance, December 31, 2024	117,295,525	\$	31,695,204
Balance, September 30, 2025	<u>117,295,525</u>	<u>\$</u>	<u>31,695,204</u>
	Number of Shares		Amount
Balance, December 31, 2023	40,278,400	\$	2,798,865
Warrants exercised at \$0.10 per share	1,632,600		260,473
Shares issued in connection with SFP acquisition	2,769,727		1,107,891
Shares issued in connection with Atlantic acquisition	302,298		200,000
Tranche 1 & 2 funds - net of transaction costs	<u>72,312,500</u>		<u>27,327,975</u>
Balance, December 31, 2024 and September 30, 2025	<u>117,295,525</u>	<u>\$</u>	<u>31,695,204</u>

On October 10, 2023, PharmaCorp engaged iA Private Wealth Inc. for a brokered public offering of up to 100,000,000 common shares in the capital of the Corporation at a price of \$0.40 per Common Share, for gross proceeds of up to \$40,000,000 (the "Offering"). The Offering was conducted in connection with PharmaCorp's proposed "Qualifying Transaction" within the meaning of TSXV Policy 2.4 – Capital Pool Companies as previously announced.

On June 5, 2024, PharmaCorp completed its Qualifying Transaction with the acquisition of Saskatoon Family Pharmacy Ltd. (see Note 4) and closed the first tranche of the Offering whereby the Company issued 51,994,146 common shares at a price of \$0.40 per share for gross proceeds of \$20,797,658.

On July 18, 2024, PharmaCorp closed the second and final tranche of the Offering whereby the Company issued 20,318,354 common shares at a price of \$0.40 per share for gross proceeds of \$8,127,342.

With the two tranches of Offering above, the Company issued a total of 72,312,500 common shares at a price of \$0.40 per share for total gross proceeds of \$28,925,000, before deducting the agent's fees and estimated offering expenses.

#### c) Options

The Company has adopted an incentive stock option plan (the "Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers and consultants to the Company, non-transferable options to purchase Common Shares, provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares as at the date of grant of any such option, and that the exercise period does not exceed 10 years from the date of grant.

The number of Common Shares issuable to any individual director or officer will not exceed 5% of the issued and outstanding Common Shares of the Company as at the date of grant of such option. The number of Common Shares issuable at any given time to all technical consultants in aggregate will not exceed 2% of the issued and outstanding Common Shares of the Company as at the date of grant of such option.

On July 18, 2024, the Company granted 3,850,000 options to directors and officers. The option price under each option granted must be no less than the discount market price as defined by the Exchange. The term of the options are 10 years, and the directors determine the vesting period.

On December 18, 2024, the Company granted 15,000 options to directors, officers, and contractors. The option price under each option granted must be no less than the discount market price as defined by the Exchange. The term of the options are 10 years, and the directors determine the vesting period.

On July 1, 2025, the Company granted 754,166 options to directors and officers. The option price under each option granted must be no less than the discount market price as defined by the Exchange. The term of the options are 10 years, and the directors determine the vesting period.

# PharmaCorp Rx Inc.

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### 11. Share capital (continued)

A summary of the Company's stock option activity is as follows:

#### As at September 30, 2025

Number outstanding	Grant Date	Expiry Date	Remaining Contractual Life	Number Exercisable
4,000,000	16-May-22	16-May-32	6.6	4,000,000
3,850,000	18-Jul-24	18-Jul-34	8.8	3,850,000
15,000	18-Dec-24	18-Dec-34	9.2	15,000
754,166	1-Jul-25	1-Jul-35	9.8	754,166
<b>8,619,166</b>				<b>8,619,166</b>

#### As at September 30, 2024

Number outstanding	Grant Date	Expiry Date	Remaining Contractual Life	Number Exercisable
4,000,000	16-May-22	16-May-32	7.6	4,000,000
3,850,000	18-Jul-24	18-Jul-34	9.8	3,850,000
<b>7,850,000</b>				<b>7,850,000</b>

#### At September 30, 2025

The stock options outstanding and exercisable:	At September 30, 2025		At September 30, 2024	
	Number	Weighted Average Exercise price	Number	Weighted Average Exercise price
Balance at beginning of the year	7,865,000		7,850,000	0.25
July 1, 2025 issuance	754,166			-
	<b>8,619,166</b>	<b>0.27</b>	<b>7,850,000</b>	<b>0.25</b>

For the nine months ended September 30, 2025, grant date fair value estimates were based on the following variables:

	July 18, 2024	December 18, 2024	July 1, 2025
Grant date share price	\$ 0.21	\$ 0.53	\$ 0.48
Risk-free interest rate	3.34%	3.07%	4.26%
Expected life of options	3 years	3 years	3 years
Expected annualized volatility	36%	36%	39%
Expected dividend yield	nil	nil	nil
Black-Scholes value/option	\$ 0.07	\$ 0.25	\$ 0.28

#### d) Warrants

As at September 30, 2025, there are no outstanding warrants.

#### e) Earnings (loss) per share

The following is a breakdown of the EPS calculation:

# PharmaCorp Rx Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

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### 11. Share capital (continued)

		<u>Three months-ended September 30, 2025</u>	<u>Nine months-ended September 30, 2025</u>
Net loss from continuing operations attributable to owners of the parent	\$	(427,516)	(569,674)
Weighted average number of shares – basic		117,295,525	117,295,525
Earnings per share - basic	\$	(0.00)	(0.00)
		<u>Three months-ended September 30, 2024</u>	<u>Nine months-ended September 30, 2024</u>
Net loss from continuing operations attributable to owners of the parent	\$	(975,861)	(1,772,145)
Weighted average number of shares – basic		113,157,839	69,786,691
Loss per share - basic	\$	(0.01)	(0.03)

### 12. Revenues

		<u>Three months ended September 30, 2025</u>	<u>Nine months ended September 30, 2025</u>
Prescription medication	\$	3,591,307	\$ 9,677,419
Over-the-counter medication and general merchandise		1,158,171	3,376,843
Other		52,781	150,665
Total	\$	<u>4,802,259</u>	<u>\$ 13,204,926</u>

### 13. Changes in non-cash working capital items

	<u>September 30, 2025</u>	<u>September 30, 2024</u>
Accounts receivable	\$ (130,595)	\$ (107,261)
Deferred financing costs	-	78,750
Goods and Services Tax ("GST") receivable	-	18,310
Inventory	(704,392)	(2,336)
Prepaid expenses and deposits	(139,643)	(27,686)
Accounts payable and accrued liabilities	1,262,475	(5,118)
Current taxes payable	10,245	(7,601)
Total	<u>\$ 298,090</u>	<u>\$ (52,941)</u>

### 14. Related party transactions

During the three and nine months ended September 30, 2025, the Company received \$359,071 and \$924,397 respectively from PharmaChoice (September 30, 2024 - \$nil and \$104,137 respectively) which includes rebates and reimbursements, less membership fees and other expenses.

The amounts owed by the Company to related parties as at September 30, 2025, is \$nil (September 30, 2024 - \$nil).

During the three and nine months ended September 30, 2025, the Company incurred director and committee fees of \$28,500 (September 30, 2024 - \$7,250).

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# PharmaCorp Rx Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

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### 15. Capital management

The Company's capital consists of share capital. The Company's objective for managing capital is to maintain sufficient capital to identify, evaluate and complete an acquisition or other transaction.

The Company sets the amount of capital in relation to risk and manages the capital structure and makes adjustments to it in light of changes to economic conditions and the risk characteristics of the underlying assets.

The Company's objectives when managing capital are:

- i. to maintain a flexible capital structure, which optimizes the cost of capital at acceptable risk; and,
- ii. to maintain investor, creditor and market confidence in order to complete future acquisitions and sustain the future development of the business.

The Company is not subject to any externally or internally imposed capital requirements at year-end apart from the requirements of the Exchange.

The Company manages its capital structure based on the funds available to the Company in order to support its organic growth and general operations. The Board of Directors does not establish a quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain the future development of the business. The Company defines capital to include share capital of \$31,622,456 (2024 - \$31,479,343). There have been no changes to how the Company manages capital in the current period.

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### 16. Financial instruments

#### *Fair values measurement*

Fair value represents the price at which a financial instrument could be exchanged in an orderly market, in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. The Company classifies the fair value of the financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument. The three levels are defined based on the observability of significant

#### iii. Financial instruments (continued)

inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and,
- Level 3: unobservable inputs for the asset or liability.

The Company's financial instruments include cash, accounts receivable, accounts payable and accruals, credit facility, and long-term debt. All financial assets and liabilities of the Company are carried at amortized cost which approximates fair value due to their short-term nature.

#### *Market risk*

Market risk is the risk that changes in market prices – e.g., foreign exchange rates, interest rates and commodity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

##### i) *Foreign exchange risk*

The Company does not have assets or liabilities in a foreign currency and therefore is not exposed to foreign currency risk.

##### ii) *Interest rate risk*

The debt (Note 8) carries a fixed rate of interest therefore there is no interest rate risk on this loan.

# PharmaCorp Rx Inc.

## Notes to the Condensed Consolidated Interim Financial Statements

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### 16. Financial instruments (continued)

#### iii) Commodity risk

The Company is not exposed to commodity risk.

#### Credit risk

Credit risk is the risk that the Company's counterparties will fail to meet their financial obligations to the Company, causing a financial loss. Accounts receivables are primarily generated by the Company's subsidiaries, which arise with respect to prescription sales billed to insurance companies and third-party drug plans and, as a result, collection risk is low. There is no concentration of balances with debtors in the remaining accounts receivable. The Company does not consider its credit risk to be material. The Company does not record an expected credit loss ("ECL") as there have been no historical issues with collections.

The table below provides an analysis of the age of accounts receivable from invoice date, which are not considered impaired.

	September 30, 2025	December 31, 2024
0-30 days	\$ 653,965	\$ 30,348
31-60 days	33,785	290,294
Greater than 61 days	98,178	6,141
Gross receivables	785,928	326,783
Less allowance for expected credit losses	-	-
	<u>\$ 785,928</u>	<u>\$ 326,783</u>

#### Liquidity risk

Liquidity risk is the risk that the Company will be unable to meet its obligations relating to its financial liabilities. The Company's accounts payable and accrued liabilities are due in 30 days. Most of the liabilities noted below were assumed in the Company's acquisitions. The Company is obligated to the following contractual maturities of undiscounted cash flows as of September 30, 2025:

September 30, 2025	Less than 1 year	1 year to 3 years	3 years to 5 years	Greater than 5 years	Total
Accounts payable and accruals	\$ 2,840,588	\$ -	\$ -	\$ -	\$ 2,840,588
Long-term debt (undiscounted)	22,338	177,004	171,829	16,578	387,749
Credit facility	316,279	632,558	632,558	1,581,395	3,162,790
Lease (undiscounted)	132,246	276,077	277,732	308,637	994,692
Total	<u>\$ 3,311,451</u>	<u>\$ 1,085,639</u>	<u>\$ 1,082,119</u>	<u>\$ 1,906,610</u>	<u>\$ 7,385,819</u>

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# PharmaCorp Rx Inc.

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### 17. Subsequent Events

On October 2, 2025, PharmaCorp announced that it has purchased a 100% interest in two pharmacies located in Western Canada, one of which includes the associated land and building. The aggregate purchase price for the 100% interest is \$3,400,000 and will be funded from cash and shares.

On October 2, 2025, PharmaCorp announced that it has purchased a 100% interest in a pharmacy located in Eastern Canada. The aggregate purchase price for the 100% interest is \$5,300,000 and will be funded from cash and available funds under the Corporation's credit facility. As at September 30, 2025, a deposit of \$5,035,030 was deposited in trust ahead of the closing for this acquisition.

On November 13, 2025 PharmaCorp announced that it has closed its previously announced bought deal public offering co-led by Canaccord Genuity Corp. and Acumen Capital Finance Partners Limited, and including Raymond James Ltd., iA Private Wealth Inc., and Bloom Burton Securities Inc. (the "Underwriters") pursuant to which the Underwriters purchased, on a bought deal basis, 54,855,000 units (the "Units") in the capital of the Company at a price of C\$0.42 per Unit (the "Offering Price") for aggregate gross proceeds to the Company of approximately C\$23.0 million, which includes the full exercise of the over-allotment option (the "Offering").