

**HYDREIGHT TECHNOLOGIES INC.**

**Condensed Interim Consolidated Financial Statements**

**Three and Nine months ended September 30, 2025 and 2024**

(Expressed in Canadian Dollars)

**NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements. The accompanying condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants for a review of interim financial statements by an entity's auditor.

VANCOUVER, BC  
November 26, 2025

**Hydreight Technologies Inc.**  
**Condensed Interim Consolidated Statements of Financial Position**  
**(Expressed in Canadian dollars - unaudited)**

	Notes	September 30, 2025	December 31, 2024
<b>ASSETS</b>			
<b>Current assets</b>			
Cash		\$ 18,635,165	\$ 1,186,942
Trade and other receivables	3	375,917	77,786
Prepays and other deposits	4	871,229	230,937
Due from related parties	6	81,037	85,200
		19,963,348	1,580,865
<b>Non-current assets</b>			
Equipment		2,327	1,616
Intangible asset	5	2,303,489	1,526,274
<b>TOTAL ASSETS</b>		<b>\$ 22,269,164</b>	<b>\$ 3,108,755</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	6,7,9	\$ 2,109,226	\$ 2,308,717
Contract liabilities	8	2,357,564	1,732,685
		4,466,790	4,041,402
<b>Non-current liabilities</b>			
Contract liabilities	8	7,946	2,122
Due to related parties	6	430,539	833,974
Convertible debentures	9	7,890,833	-
<b>TOTAL LIABILITIES</b>		<b>12,796,108</b>	<b>4,877,498</b>
<b>SHAREHOLDERS' EQUITY (DEFICIT)</b>			
Share capital	10	15,058,830	7,095,557
Reserves	11	735,829	468,100
Equity portion of convertible debentures	9	2,647,877	-
Obligation to issue shares	10	-	61,828
Accumulated other comprehensive loss		(271,502)	(263,592)
Deficit		(8,697,978)	(9,130,636)
<b>SHAREHOLDERS' EQUITY (DEFICIT)</b>		<b>9,473,056</b>	<b>(1,768,743)</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)</b>		<b>\$ 22,269,164</b>	<b>\$ 3,108,755</b>

Nature of operations (Note 1)

Commitments and contingencies (Note 15)

Subsequent events (Note 18)

"Shane Madden"  
Director

"Shafin Tejani"  
Director

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

**Hydreight Technologies Inc.**  
**Condensed Interim Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)**  
**(Expressed in Canadian dollars - unaudited)**

	Notes	Three months ended September 30,		Nine months ended September	
		2025	2024	2025	2024
<b>Revenue</b>					
Business partner contract revenue	14	\$ 892,170	\$ 787,140	\$ 2,350,279	\$ 2,024,166
Commission revenue	14	207,331	75,622	554,386	248,132
Pharmacy sales	14	9,420,037	3,663,558	17,531,514	9,731,840
<b>Total Revenues</b>		<b>10,519,538</b>	<b>4,526,320</b>	<b>20,436,179</b>	<b>12,004,138</b>
Cost of pharmacy sales		8,189,218	2,993,149	14,671,192	7,679,836
<b>Gross Profit</b>		<b>2,330,320</b>	<b>1,533,171</b>	<b>5,764,987</b>	<b>4,324,302</b>
<b>Operating Expenses</b>					
Amortization and depreciation	5	116,657	\$ 47,094	324,790	118,283
General and administration	6,16	555,615	497,788	1,467,859	1,214,261
Professional and consulting fees	6,17	400,475	269,439	1,188,388	1,098,597
Sales and marketing		112,513	55,405	258,761	146,944
Share-based payments	6,11	7,062	90,534	73,542	526,988
Software and communication		148,569	183,327	441,859	331,079
Wages and labor	6	573,215	475,522	1,655,733	1,337,524
<b>Total Operating Expenses</b>		<b>(1,914,106)</b>	<b>(1,619,109)</b>	<b>(5,410,932)</b>	<b>(4,773,676)</b>
<b>Other Income (Expenses)</b>					
Foreign exchange gain (loss)		(1,103)	(7,092)	(10,015)	10,490
Interest and accretion expense	9	(134,145)	-	(134,145)	-
Interest and other income	7	80,922	3,092	222,763	13,138
<b>Total Other Income (Expenses)</b>		<b>(54,326)</b>	<b>(4,000)</b>	<b>78,603</b>	<b>23,628</b>
<b>Net Income (Loss)</b>		<b>361,888</b>	<b>(89,938)</b>	<b>432,658</b>	<b>(425,746)</b>
<b>Other Comprehensive Income (Loss)</b>					
Item that may be reclassified subsequently to income (loss):					
Currency translation adjustment		(119,571)	36,819	(7,910)	(46,116)
<b>Comprehensive Income (Loss) for the Period</b>		<b>242,317</b>	<b>(53,119)</b>	<b>424,748</b>	<b>(471,862)</b>
<b>Income (Loss) per share - basic</b>		<b>\$ 0.01</b>	<b>\$ (0.00)</b>	<b>\$ 0.01</b>	<b>\$ (0.01)</b>
<b>Income (Loss) per share - diluted</b>		<b>\$ 0.01</b>	<b>\$ (0.00)</b>	<b>\$ 0.01</b>	<b>\$ (0.01)</b>
<b>Weighted average number of common shares outstanding for the period - basic</b>					
		<b>47,264,156</b>	<b>39,621,023</b>	<b>44,386,112</b>	<b>38,756,179</b>
<b>Weighted average number of common shares outstanding for the period - diluted</b>					
		<b>48,464,992</b>	<b>39,621,023</b>	<b>44,929,091</b>	<b>38,756,179</b>

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**Hydreight Technologies Inc.**  
**Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficit)**  
**(Expressed in Canadian dollars - unaudited)**

Note	Share Capital		Accumulated other comprehensive (loss) income	Reserves	Warrant Reserves	Equity portion of			Income (Deficit)	Total
	Number of shares	Amount				Total Reserves	convertible debentures	Obligation to issue shares		
<b>Balance at January 1, 2024</b>	<b>38,319,005</b>	<b>\$ 6,533,518</b>	<b>\$ (90,503)</b>	<b>\$ 451,535</b>	<b>\$ -</b>	<b>\$ 451,535</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (8,725,467)</b>	<b>\$ (1,830,917)</b>
Shares issued for vested RSUs	1,996,428	559,000	-	(559,000)	-	(559,000)	-	-	-	-
Share-based payment	-	-	-	526,988	-	526,988	-	-	-	526,988
Currency translation adjustment	-	-	(46,116)	-	-	-	-	-	-	(46,116)
Net loss for the period	-	-	-	-	-	-	-	-	(425,746)	(425,746)
<b>Balance at September 30, 2024</b>	<b>40,315,433</b>	<b>7,092,518</b>	<b>(136,619)</b>	<b>419,523</b>	<b>-</b>	<b>419,523</b>	<b>-</b>	<b>-</b>	<b>(9,151,213)</b>	<b>(1,775,791)</b>
<b>Balance at January 1, 2025</b>	<b>40,324,933</b>	<b>\$ 7,095,557</b>	<b>\$ (263,592)</b>	<b>\$ 468,100</b>	<b>\$ -</b>	<b>\$ 468,100</b>	<b>\$ -</b>	<b>\$ 61,828</b>	<b>\$ (9,130,636)</b>	<b>\$ (1,768,743)</b>
Shares issued for vested RSUs	10,11	1,258,125	354,606	(331,716)	-	(331,716)	-	(22,890)	-	-
Options exercised	10	585,000	251,039	(75,771)	-	(75,771)	-	(38,938)	-	136,330
Share-based payments	11	-	-	73,542	-	73,542	-	-	-	73,542
Private placement	10	3,492,300	3,564,641	-	1,232,346	1,232,346	-	-	-	4,796,987
Warrants exercised, net of issue costs	10	1,603,798	3,792,987	-	(672,465)	(672,465)	-	-	-	3,120,522
Issuance of convertible debentures	9	-	-	-	41,793	41,793	2,647,877	-	-	2,689,670
Currency translation adjustment	-	-	(7,910)	-	-	-	-	-	-	(7,910)
Net income for the period	-	-	-	-	-	-	-	-	432,658	432,658
<b>Balance at September 30, 2025</b>	<b>47,264,156</b>	<b>\$ 15,058,830</b>	<b>\$ (271,502)</b>	<b>\$ 134,155</b>	<b>\$ 601,674</b>	<b>\$ 735,829</b>	<b>\$ 2,647,877</b>	<b>\$ -</b>	<b>\$ (8,697,978)</b>	<b>\$ 9,473,056</b>

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

**Hydreight Technologies Inc.**  
**Condensed Interim Consolidated Statements of Cash Flows**  
**(Expressed in Canadian dollars - unaudited)**

For the nine months ended September 30,	2025	2024
<b>Operating activities</b>		
Net income (loss) for the period	\$ 432,658	\$ (425,746)
<b>Adjustments for non-cash items:</b>		
Amortization and depreciation	324,790	118,283
Share-based payment	73,542	526,988
Interest and accretion expense on convertible debentures	134,145	-
<b>Changes in non-cash working capital items:</b>		
Trade and other receivables	(302,988)	(91,336)
Prepays and other deposits	(642,395)	68,027
Inventory	-	10,615
Accounts payables and accrued liabilities	(418,426)	407,958
Government sales tax recoverable	24,857	(6,057)
Contract liabilities	630,705	(222,488)
<b>Net cash from operating activities</b>	<b>256,888</b>	<b>386,244</b>
<b>Investing activities</b>		
Advance from (repayment to) related party	(300,000)	4,353
Additions to property and equipment	(1,995)	-
Additions to intangible asset	(1,094,377)	(837,516)
<b>Net cash used in investing activities</b>	<b>(1,396,372)</b>	<b>(833,163)</b>
<b>Financing activities</b>		
Private placement, net of costs	4,796,987	-
Exercise of warrants	3,100,522	-
Cash proceeds on option exercise	136,330	-
Convertible debentures, net of costs	10,623,082	-
Net advances to related party	(75,752)	(68,020)
<b>Net cash from (used in) financing activities</b>	<b>18,581,169</b>	<b>(68,020)</b>
<b>Effect of foreign exchange on cash</b>	<b>6,538</b>	<b>(56,708)</b>
Change in cash	17,448,223	(571,647)
Cash, beginning of period	1,186,942	1,783,787
<b>Cash, end of period</b>	<b>\$ 18,635,165</b>	<b>\$ 1,212,140</b>
<b>Supplemental non-cash activities:</b>		
	<b>Notes</b>	
Issuance of shares to settle RTO bonus obligation		\$ - \$ 559,000
Fair value transfer of RSU transferred to share capital	10,11	\$ 354,606 \$ -
Fair value transfer of option reserve to share capital	10,11	\$ 114,709 \$ -
Fair value transfer of warrant reserve to share capital	10,11	\$ 747,545 \$ -
Warrant proceeds included in other receivables	3	\$ 20,000 \$ -
Equity portion of convertible debenture	9	\$ 2,647,877 \$ -
Fair value of broker warrants issued in relation to convertible debenture	9	\$ 41,793 \$ -
Convertible debenture transaction cost included in accounts payable	7,9	\$ 102,999 \$ -
Obligation to issue shares reclassified to share capital	10,11	\$ 61,828 \$ -
Intangible asset expenditures in accounts payable and accrued liabilities	5	\$ 42,208 \$ 40,929

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

**Hydreight Technologies Inc.**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**For the nine months ended September 30, 2025, and 2024**  
**(Expressed in Canadian dollars - unaudited)**

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**1. Nature of Operations**

Hydreight Technologies Inc. (the “Company” or “Hydreight”) was incorporated on April 13, 2018, pursuant to the provisions of the Business Corporation Act (British Columbia). The Company’s registered office is at 480 – 789 West Pender Street, Vancouver, British Columbia V6C 1H2, Canada. The head office is located at 7251 West Lake Mead Boulevard, Suite 300, Las Vegas, NV 89128, United States.

On November 28, 2022, the Company completed a reverse takeover transaction (the “Reverse Takeover Transaction” or “RTO” or “Transaction”) with IV Hydreight Inc. (“Hydreight”), Victory Square Technologies Inc. (“VST” or “Parent”), 1362795 BC Ltd. (“AssetCo”), and 1203500 B.C. Ltd (“PCL Acquisition Co”). The RTO resulted in AssetCo and PCL Acquisition Co amalgamating to form Hydreight Canada Holdings Inc. (“HCH”). VST is the Company’s ultimate controlling parent company before and after the Transaction.

The Company’s shares trade on the TSX Venture Exchange (the “Exchange”) under the trading symbol “NURS” and the Frankfurt Stock Exchange under the symbol “SO6”. The Company is also quoted on the OTCQB Venture Market in the United States under the symbol of “HYDTF”.

The condensed consolidated interim financial statements include the accounts of the Company and its wholly owned subsidiaries HCH, Hydreight, Healthcare Prosoft LLC (“Prosoft”), and Digital Health GPO, LLC (“GPO”). The Company also consolidates Healthcare Prosoft CT, P.A., Healthcare Prosoft NE Professional Corporation, and Healthcare Prosoft SW, P.C. which are controlled by Hydreight. All intercompany transactions have been eliminated on consolidation.

Hydreight was incorporated in the State of Nevada on April 10, 2018, and operates in the digital health technology sector. The Company has developed a proprietary telemedicine service that allows users to book confidential health and wellness, and/or medical services through a mobile application, and receive services at any remote location, while leveraging the latest trends in digital health technology. Its objective is to connect health professionals or service advisors to end users in a confidential and secure way, through its mobile application. Hydreight’s operational activities began in August 2019.

These condensed interim consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at September 30, 2025, the Company had a working capital of \$15,496,558 (December 31, 2024, working capital deficiency – \$2,460,537), comprehensive income of \$424,748 for the nine months ended September 30, 2025 (nine months ended September 30, 2024, comprehensive loss – \$471,862), and an accumulated deficit of \$8,697,978 as at September 30, 2025 (December 31, 2024 – \$9,130,636).

The Company currently has one operating segment, as the Company’s chief operating decision maker is focused on the US market and associated growth in its targeted customer base and related revenue streams.

**Hydreight Technologies Inc.**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
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**2. Material Accounting Policies**

These condensed interim consolidated financial statements were authorized for issue on November 26, 2025, by the directors of the Company.

a) Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”) using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”). The accounting policies and methods of computation applied by the Company in these condensed interim consolidated financial statements are the same as those applied in the Company’s annual consolidated financial statements as at and for the year ended December 31, 2024.

b) Basis of Preparation

The condensed interim consolidated financial statements have been prepared on a going concern basis under the historical cost method, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The condensed interim consolidated financial statements are presented in Canadian dollars. The primary economic environment in which the Company operates is the United States and therefore the functional currency of the Company is the US dollar. Certain comparative figures have been reclassified to conform to the current year’s presentation. Specifically, the reclassification of expense line items insurance, investor relations, management fees, and rent within general and administration expense. The reclassification is intended to align expenses by nature has no impact to net income.

c) Consolidation

These condensed interim consolidated financial statements include the financial statements of the Company and its wholly owned subsidiaries and companies it controls through contractual means, without any equity interest. All inter-company transactions are eliminated on consolidation.

As of September 30, 2025, the Company has seven subsidiaries as outlined below:

<b>Subsidiary</b>	<b>Percentage of equity interest</b>	<b>Jurisdiction of incorporation</b>	<b>Functional currency</b>
Hydreight Canada Holdings Inc.	100%	British Columbia, Canada	CAD
IV Hydreight Inc.	100%	Nevada, USA	USD
Healthcare Prosoft, LLC	100%	Nevada, USA	USD
Digital Health GPO, LLC	100%	Nevada, USA	USD
Healthcare Prosoft CT, P.A.	0%	Kansas, USA	USD
Healthcare Prosoft NE Professional Corporation	0%	New Jersey, USA	USD
Healthcare Prosoft SW, P.C.	0%	California, USA	USD

The above consolidated entities have a year end of December 31.

**Hydreight Technologies Inc.**  
**Notes to the Condensed Interim Consolidated Financial Statements**  
**For the nine months ended September 30, 2025, and 2024**  
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**2. Material Accounting Policies (Continued)**

d) Use of Judgments

Judgment is required in assessing whether the Company is a principal or an agent in a sales transaction where other parties are involved. In assessing whether the Company is a principal, it assesses its ability to formulate, produce, and supply products to customers as well as its ability to influence prices and take on the risk of returns.

**3. Trade and other receivables**

The following table outlines the components of trade and other receivables as at September 30, 2025, and December 31, 2024:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>
Pharmacy management sales receivable	\$ 269,412	\$ -
Subscriptions receivable, net of allowance	33,894	42,925
Government sales tax receivable	6,507	31,364
Warrant exercise proceeds receivable (Note 10)	20,000	-
Pharmacy vendor GPO fees	42,155	-
Other	3,949	3,497
	<b>\$ 375,917</b>	<b>\$ 77,786</b>

**4. Prepaids and other deposits**

The following table outlines the components of prepaids, and other deposits included in current assets as at September 30, 2025, and December 31, 2024:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>
Insurance	\$ 5,313	\$ 53,129
Advance on lab services	57,556	57,556
Prepaid pharmacy purchases	556,473	-
Deposit towards pharmacy purchases	85,000	85,000
Investor relations	101,949	-
Rental and other	64,938	35,252
Prepaid and other deposits	<b>\$ 871,229</b>	<b>\$ 230,937</b>

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**Notes to the Condensed Interim Consolidated Financial Statements**  
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**5. Intangible Asset**

The Company started development of Patient Specific Technology workflows in 2023 and through the first quarter of 2024, to allow for Direct to Consumer ("D2C") transactions. In the second quarter of 2024, and through the third quarter of 2025, the Company started building the VSDH One platform. Intangible asset technology is amortized over five years from the capitalization date.

	Franchise White-Label	Patient Specific Tech	VSDH One Platform	Total
<b>Cost</b>				
Balance, January 1, 2025	\$ 286,034	\$ 466,925	\$ 1,076,063	\$ 1,829,022
Additions	-	-	1,136,585	1,136,585
Foreign currency translation	(4,562)	(7,447)	(35,289)	(47,298)
<b>Balance September 30, 2025</b>	<b>\$ 281,472</b>	<b>\$ 459,478</b>	<b>\$ 2,177,359</b>	<b>\$ 2,918,309</b>
<b>Accumulated amortization</b>				
Balance, January 1, 2025	\$ 132,883	\$ 132,586	\$ 37,279	\$ 302,748
Amortization	42,396	36,613	244,482	323,491
Foreign currency translation	(1,101)	(1,798)	(8,520)	(11,419)
<b>Balance September 30, 2025</b>	<b>\$ 174,178</b>	<b>\$ 167,401</b>	<b>\$ 273,241</b>	<b>\$ 614,820</b>
<b>Net book value, January 1, 2025</b>	<b>\$ 153,151</b>	<b>\$ 334,339</b>	<b>\$ 1,038,784</b>	<b>\$ 1,526,274</b>
<b>Net book value, September 30, 2025</b>	<b>\$ 107,294</b>	<b>\$ 292,077</b>	<b>\$ 1,904,118</b>	<b>\$ 2,303,489</b>

**6. Related Parties**

The Company has several agreements with various related parties for consulting and executive services provided.

Key Management Compensation

The Company's key management personnel have authority and responsibility for overseeing, planning, directing, and controlling the activities of the Company and consist of the Company's directors and officers. The following is summary of key management compensation and other related party transactions for the three and nine months ended September 30, 2025, and 2024:

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Salaries, wages and consulting fees (Note 17)	\$ 257,544	\$ 358,189	\$ 713,163	\$ 768,497
Share-based compensation (Note 11)	2,669	133,702	27,301	242,178
	<b>\$ 260,213</b>	<b>\$ 491,891</b>	<b>\$ 740,464</b>	<b>\$ 1,010,675</b>

Other related party transactions

	September 30, 2025	September 30, 2024	September 30, 2025	September 30, 2024
Professional and consulting fees	\$ 41,326	\$ 40,890	\$ 125,898	\$ 122,406

The Company and a director entered into a medical consultation agreement for telemedicine consulting services. The director is the medical director of the Company and contracts with and assigns physicians for the provision of telehealth services. The director is paid a base fee of USD \$3,000 per month and a percentage-based fee for every transaction generated by the Company, from which physicians contracted under the director are

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**6. Related Parties (Continued)**

compensated. In the comparative year, the director was also paid a fixed fee, discontinued in mid-2024, for each partner that went live on the platform. The medical consultation agreement will remain in effect until terminated according to provisions in the agreement. Included in the above table is \$269,417 (nine months ended September 30, 2024 - \$336,971) related to fees paid out under this agreement, which is reported in commission revenue or professional and consulting fees based on the nature of the payment (Note 17).

Included in accounts payable and accrued liabilities is \$48,158 (December 31, 2024 - \$53,551) owing to members of key management (Note 7).

As at September 30, 2025, \$78,542 (USD \$54,800) of a \$60,000 USD advance to the CEO is outstanding, which is included in the current portion of due from related parties on the condensed interim consolidated statement of financial position along with \$2,495 (2024 - \$3,476) in other amounts owing from related parties.

Other related party transactions

*Parent Corporation*

The Company owes \$430,539 (December 31, 2024 - \$833,974) to VST and VST subsidiaries. The amount is non-interest bearing, unsecured and due on demand. At September 30, 2025, VST has waived the right to demand repayment of the balance until at least July 31, 2026, and as such, the loan has been presented as a long-term liability.

For the three and nine months ended September 30, 2025, the Company incurred \$41,326 and \$125,898 (three and nine months ended September 30, 2024 - \$ 40,890 and \$122,406) in consulting fees from VST in accordance with a consulting agreement between the CFO, VST, and the Company for CFO services. The fees are included in professional and consulting fees on the condensed interim consolidated statement of income (loss) and comprehensive income (loss) (Note 17).

For the three and nine months ended September 30, 2025, the Company incurred \$61,939 and \$195,832 (three and nine months ended September 30, 2024 - \$61,380 and \$183,654 (Note 17) of business and operational strategy consulting fees charged from a holding company controlled by a certain executive of VST in accordance with the terms of a consulting agreement entered into with the Company upon the closing of the RTO.

**Hydreight Technologies Inc.**  
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**7. Accounts Payable and Accrued Liabilities**

The composition of accounts payable and accrued liabilities is as follows:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>
Trade accounts payable	\$ 553,966	\$ 1,005,916
Accrued liabilities	240,385	306,808
Interest payable (Note 8)	73,726	-
Business partner payable	788,441	632,748
US state sales tax payable	452,708	363,245
	<b>\$ 2,109,226</b>	<b>\$ 2,308,717</b>

Trade accounts payable consist primarily of amounts owing to pharmacy vendors for cost of pharmacy purchases as well as payables for various operating and general expenses. Accrued liabilities consist of various accruals for audit costs, operating expenses, and payroll withholdings.

As part of the commission revenue stream, the Company collects the gross proceeds from the patients and is required to remit the business partner's portion of the transaction to the business partner, as the Company is acting as agent in the transaction. This is recorded as Business partner payable in the table above. These payables are derecognized from the Company's account upon issuance of a cheque to the respective partner. If a cheque remains uncashed and becomes stale-dated and after 12-months from its issue date, the Company reclassifies the amount as other income in the condensed interim consolidated statement of income (loss) and comprehensive income (loss).

The Company records a US state sales tax payable provision based on estimated US state sales tax (Note 15).

**8. Contract Liabilities**

The following table is a summary of contract liabilities from contracts with customers and the change in those balances during the three and nine months ended September 30, 2025, and 2024. As at September 30, 2025, \$398,513 (December 31, 2024 - \$326,616) of contract liabilities relate to goods and services transferred at a point in time, with the remaining \$1,778,080 (December 31, 2024 - \$1,408,191) relating to its services transferred over time.

	<b>September 30, 2025</b>	<b>December 31, 2024</b>
Balance, opening	\$ 1,734,807	\$ 1,719,307
Revenue deferred in prior year and recognized as revenue in current period	(1,259,107)	(1,691,832)
New additions from contracts with customers during the current period	1,700,893	1,707,332
Balance, ending	<b>\$ 2,176,593</b>	<b>\$ 1,734,807</b>
Current portion	2,168,647	1,732,685
Long-term portion	7,946	2,122
	<b>\$ 2,176,593</b>	<b>\$ 1,734,807</b>

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**9. Convertible Debentures**

On September 4, 2025, the Company closed a brokered private placement of unsecured convertible debentures whereby the Company issued an aggregate of 11,500 convertible debentures at an issue price of \$1,000 per debenture for gross proceeds of \$11,500,000 (Note 12c). The debentures mature on September 4, 2028, and bear interest at a rate of 9.0% per annum. The principal outstanding under the debentures is convertible into common shares of the Company at the option of the holder, at a conversion price of \$4.06. Interest is payable semi-annually in arrears in cash on the last day of June and December of each year, with the first interest payment date being December 31, 2025.

The Company may, at its option, force the conversion of the debentures on ten days' notice if the volume weighted average trading price of the common shares on the TSXV is greater than \$5.08 for the preceding twenty consecutive trading days.

Direct costs deducted from gross proceeds include \$690,000 in cash and \$114,878 in broker incurred legal and ancillary expenses, resulting in \$10,695,122 in net proceeds. The Company also incurred \$175,037 in legal and filing fees directly related to the transaction. The broker also received 168,916 compensation warrants and 1,034 advisory fee warrants (together the "broker warrants") with a fair value of \$41,793 calculated using the Black-Scholes Option Pricing Model. Each broker warrant is exercisable to acquire one common share at a price of \$3.74 per common share for a period of 24 months following the date of issuance. Total transaction costs, which include legal, filing, ancillary and fair value of broker warrants was \$1,021,708.

The fair value of the debt component of the convertible debentures was determined at inception using the Company's market interest rate of 20% and was \$8,593,936. The effective interest rate on the convertible debt was 23.72%. The difference between the gross proceeds of \$11,500,000 and the discounted debt component of \$8,593,936 was \$2,906,064 and allocated to the equity component. Total transaction fees of \$1,021,708 were allocated to the debt and equity components on a pro rata basis reducing the initially recognized balances to \$7,830,415 and \$2,647,877 respectively.

Interest and accretion expense, entirely attributable to the convertible debentures, for the three and nine months ended September 30, 2025, was \$134,145 (three and nine months ended September 30, 2024 - \$Nil) of which \$60,419 is accretion expense and \$73,726 is accrued interest (Note 7). The resulting carrying value of the convertible debentures as at September 30, 2025, is \$7,890,833 (December 31, 2024 - \$Nil).

The debenture indenture contains several non-financial general affirmative covenants consistent with prudent management, compliance with all laws and regulations, and stewardship of company resources and does not contain any negative covenants. In the event of breach of these covenants that remain unresolved, the trustee may in its discretion, upon receipt of a request in writing signed by the holders of not less than 25% in aggregate principal amount of the debentures then outstanding, by notice in writing to the Company declare the principal amount and applicable interest on all debentures then outstanding to become due and payable on demand. The Company was in compliance with all covenants during the nine months ended September 30, 2025.

All securities issued in connection with the transaction are subject to a statutory hold period expiring four months and one day following the date of issuance, in accordance with applicable Canadian securities legislation.

**10. Share Capital**

**Authorized Share Capital**

The Company is authorized to issue an unlimited number of common shares without par value.

As of September 30, 2025, there were 47,264,156 (December 31, 2024 – 40,324,933) common shares issued and outstanding.

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**10. Share Capital (Continued)**

*Shares issued during the nine months ended September 30, 2025*

On February 11, 2025, and March 11, 2025, the Company issued 160,000 and 26,000 common shares to two optionees for cumulative proceeds of \$57,660 in relation to the exercise of options at an exercise price of \$0.31.

On February 26, 2025, the Company closed a private placement, issuing 3,492,300 units of the Company at a price of \$1.55 per unit for aggregate gross proceeds of \$5,413,065, and net proceeds of \$4,996,117 on closing (Note 11c). Each unit consists of one common share in the capital of the Company and one common share purchase warrant of the Company. Each share purchase warrant entitles the holder thereof to acquire one common share of the Company at a price of \$2.00 for a period of 36 months from the closing date of the private placement. Under the relative fair value method, these purchase warrants were fair valued using the Black-Scholes Option Pricing Model and allocated to the gross proceeds based on the relative fair value of the warrants and common shares issued. In connection with the private placement, the Company paid (i) a cash commission of \$257,824, (ii) a corporate finance fee of \$70,298, (iii) \$88,826 in legal and closing expenses and (iv) 209,538 non-transferable compensation warrants, exercisable for a period of 24 months following the closing date at an exercise price equal to \$1.55 per compensation warrant share. The compensation warrants were also fair valued using the Black-Scholes Option Pricing Model and allocated to share capital and warrant reserve issuance costs using the relative fair value method. The Company also incurred directly related legal, filing, and transfer agent expenses totaling \$199,129 which are allocated to issuance costs and netted against share capital and reserves, and which result in total net proceeds of \$4,796,987. Issuance costs deducted from gross proceeds from the agent and legal and other transaction costs incurred directly by the Company were allocated to share issuance and warrant reserve costs using the relative fair value method. The private placement resulted in an increase in share capital, net costs of \$3,564,641, and an increase in warrant reserves, net costs of \$1,232,346, with a total increase in equity of \$4,796,987.

On March 5, 2025, the Company issued 218,750 common shares of which 104,000 were for proceeds of \$26,000, received in the fourth quarter of 2024, for options exercised at \$0.25 per share by a Director of the Company. The remaining common shares issued were for 114,750 RSUs with a fair value of \$22,890, 45,000 of which were issued to a director, that vested on November 17, 2024 (Note 6). Both the RSUs and options comprise the amount reported in equity under the obligation to issue shares on the consolidated statements of changes in shareholders' equity (deficit). The increase in obligation to issue shares of \$61,828 comprised the \$26,000 in cash proceeds for the options, \$12,938 in amounts reclassified from reserve from the options exercised, and \$22,890 reclassified from reserve for the vested RSUs. During the nine months ended September 30, 2025, the Company recognized an additional \$10,387 in fair value of vested RSUs.

On March 14, 2025, the Company issued 575,000 common shares in relation to a tranche of RSUs that were granted on July 18, 2023, and which vested in the first quarter of 2025. Of the 575,000 RSUs issued, 202,500 were issued to related parties. The fair value of the RSU tranche was \$161,000, which was recognized in share-based payments expense over the vesting period.

On April 9, 2025, the Company issued 61,000 common shares in relation to an issuance of RSUs that were granted on April 5, 2024, and which vested on April 5, 2025. The fair value of the RSU tranche was \$17,690 which was recognized in share-based payments expense over the vesting period.

On May 27, 2025, the Company issued 82,000 common shares in relation to the exercise of options for cash proceeds of \$25,420.

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**10. Share Capital (Continued)**

On May 23, 2025, the Company issued 57,375 common shares in relation to an issuance of RSUs that were granted on November 17, 2023, and which vested on May 17, 2025. The fair value of the RSU tranche was \$16,639 which was recognized in share-based payments expense over the vesting period.

On July 18, 2025, the Company issued 450,000 RSUs in relation to a tranche of RSUs granted on July 18, 2023, that vested on July 18, 2025. The fair value of the RSU tranche was \$126,000 which was recognized in share-based payments expense over the vesting period.

In the three months ended September 30, 2025, the Company issued 1,410,300 common shares on the exercise of purchase warrants for cash proceeds of \$2,820,600 and issued 193,498 common shares on the exercise of compensation warrants for cash proceeds of \$299,922.

In the month of June 2025, the Company issued 213,000 common shares in relation to the exercise of options for cash proceeds of \$53,250.

*Shares issued during the nine months ended September 30, 2024*

On August 1, 2025, the Company issued 1,996,428 common shares in relation to a tranche of RSUs granted on July 18, 2023, that vested on July 18, 2024.

**11. Share-Based Payments**

Omnibus Equity Incentive Plan

On closing of the Transaction, a new equity incentive plan came into effect ("New Plan"). The New Plan provides for flexibility to grant equity-based incentive awards in the form of stock options, restricted share units, deferred share units, performance share units and stock appreciation rights. All equity-based awards subsequent to the Transaction are governed by the New Plan and no future awards are governed by the terms of the previous plan. All directors, officers, consultants, and employees are eligible to participate in the New Plan. All awards vest in accordance with the provisions of the New Plan and any applicable award agreement. Stock options are subject to a maximum term of 10 years, while other awards are not subject to specific term limits.

On August 1, 2025, the Company amended the New Plan to increase the maximum number of common shares authorized for issuance upon settlement of the equity-based incentive awards grantable thereunder and in accordance with the terms of the Equity Incentive Plan to up to 9,000,000 common shares from the 5,700,000 as originally authorized when the New Plan came into effect. The amendment to the New Plan was approved by the Exchange and approved by shareholders at the annual general meeting on September 19, 2025.

**Reserves**

The reserves record items recognized as share-based payments expense.

**Stock Options**

Each stock option issuance has vesting terms that vary with each individual optionee, with a portion of the options granted vesting immediately at grant date, in some issuances, and the balance vesting in equal tranches quarterly or another periodic interval.

On January 16, 2025, the Board approved a resolution to amend the vesting terms of several RSU awardees from the July 18, 2023, issuance. Under the terms of the original vesting schedule, 262,500 RSUs vested on January 18, 2025, with the final tranche vesting July 18, 2025. Under the amended vesting provisions, 125,000 RSUs vest on

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**11. Share-Based Payments (continued)**

**Stock Options (continued)**

January 18, 2025, with the balance of the RSUs vesting on the later of July 18, 2025, and the earlier of a specified date in 2026 and 2027 or a specified performance metric. The modification of vesting terms did not result in any incremental fair value to the original grant and therefore resulted in no change in measurement.

There were no stock options granted during the three and nine months ended September 30, 2025, and 2024, respectively. Total share-based payments expense related to the outstanding options for the three and nine months ended September 30, 2025 was \$Nil and \$741 respectively (three and nine months ended September 30, 2024 - \$3,690 and \$12,443, respectively). All of the options granted were exercised as at September 30, 2025.

Stock option continuity for the nine months ended September 30, 2025, and 2024 is as follows:

	<b>Stock Options Issued and Outstanding</b>	<b>Weighted- Average Exercise Price</b>
Balance, January 1, 2025	481,000	\$0.28
Exercised	(481,000)	\$0.28
Balance, September 30, 2025	-	-

**Restricted Share Units**

Each RSU issuance has vesting terms that vary with each awardee and vest in instalments over time or are performance based, with a vesting term of at a minimum one year from the grant date as per the requirement of the Exchange.

During to the period ended September 30, 2025, the Company granted 10,000 RSUs to an employee that vest in one year's time.

Total share-based payments expense recorded for the three and nine months ended September 30, 2025, in relation to the RSU issuances was \$7,062 and \$72,801 (three and nine months ended September 30, 2024 – \$86,844 and \$514,545).

RSU continuity for the nine months ended September 30, 2025, is as follows:

	<b>RSUs in units</b>
Balance, January 1, 2025	1,715,500
Issued RSUs	10,000
Converted to common shares	(1,258,125)
Balance, September 30, 2025	467,375

Share-based payments expense for the three- and nine-months ending September 30, 2025, and 2024, were as follows:

	<b>Three months ended September 30, 2025</b>	<b>Three months ended September 30, 2024</b>	<b>Nine months ended September 30, 2025</b>	<b>Nine months ended September 30, 2024</b>
RSUs - CEO (Note 5)	\$ -	\$ 7,869	\$ -	\$ 87,432
Stock options	-	3,691	741	12,443
RSUs (Note 5)	7,062	78,974	72,801	427,113
<b>Total</b>	<b>\$ 7,062</b>	<b>\$ 90,534</b>	<b>\$ 73,542</b>	<b>\$ 526,988</b>

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**11. Share-Based Payments (continued)**

**Restricted Share Units (continued)**

The warrant reserve records the fair value of warrants issued as part of financing transactions.

As part of the private placement financing (Note 10), the Company issued 3,492,300 purchase warrants included with each unit purchased and issued 209,538 compensation warrants to brokers and agents. Each purchase warrant is exercisable for 1 common share of the Company at an exercise price of \$2.00 for 3 years. Each broker warrant is exercisable for 1 common share of the Company at an exercise price of \$1.55 for 2 years. The fair value of the purchase warrants is included in warrant reserve. The fair value of the broker warrants were allocated between share issuance costs and warrant reserve issuance costs based on the relative fair value method.

In connection with the convertible debenture financing (Note 9), the Company issued 169,950 broker compensation warrants. Each broker warrant is exercisable to acquire one common share at a price of \$3.74 per common share for a period of 24 months following the date of issuance.

The following weight average assumptions were used in calculating the fair value of purchase and broker compensation warrants granted during the year using the Black-Scholes Option Pricing Model:

	Issuance Date	Expected Volatility	Risk-free Interest Rate	Expected Dividend Yield	Expected Life (in years)
Purchase Warrants - Private Placement	February 26, 2025	100.28%	2.60%	NIL	3
Broker Compensation Warrants - Private Placement	February 26, 2025	100.96%	2.62%	NIL	2
Broker Compensation Warrants - Debentures	September 4, 2025	106.08%	2.61%	NIL	2

The warrants outstanding at September 30, 2025, are as follows:

	Issuance Date	Exercise Price	Number of Warrants Outstanding	Number of Warrants Exercisable	Remaining Contractual Life (Years)	Expiry Date
Purchase Warrants - Private Placement	February 26, 2025	\$2.00	2,082,000	2,082,000	2.41	February 26, 2028
Broker Compensation Warrants - Private Placement	February 26, 2025	\$1.55	16,040	16,040	1.41	February 26, 2027
Broker Compensation Warrants - Debentures	September 4, 2025	\$3.74	169,950	169,950	1.93	September 4, 2027
			2,267,990	2,267,990		

Warrant continuity for the nine months ended September 30, 2025, and 2024 is as follows:

Balance, January 1, 2025 and 2024	-
Warrants Issued	3,871,788
Exercised for common shares	(1,603,798)
Balance, September 30, 2025	2,267,990

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**12. Financial Risk Management**

The Company is exposed in varying degrees to a variety of financial instrument related risks. Management approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

a) Fair value

The Company classifies fair value measurements recognized in the consolidated statement of financial position using a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value 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 (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values of financial instruments, excluding convertible debentures, which includes cash, trade and other receivables, accounts payable and accrued liabilities, and amounts due to and from related parties approximates their carrying values due to the relatively short-term maturity of these instruments. After initial recognition, the debt component of the convertible debentures is measured at amortized cost and the equity component is not remeasured.

b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts, trade and other receivables and due from related parties. The cash is deposited in several bank accounts at one bank in Canada and one bank account in the US. As the Company's cash is held by two banks there is a concentration of credit risk. This risk is managed by using banks that are high credit quality financial institutions as determined by rating agencies. Credit risk on cash is assessed as low.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash. The Company's accounts payable and accrued liabilities are contractually due within 12 months of September 30, 2025. The amounts due to related parties have no terms of repayment, however management has obtained confirmation that no demand for repayment will be made within 12 months of September 30, 2025.

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**12. Financial Risk Management (continued)**

c) Liquidity risk (continued)

Historically, the Company's main source of funding has been the issuance of equity securities and cash flows from operating activities and advances from related parties. On February 26, 2025, the Company closed a private placement, issuing 3,492,300 units of the Company at a price of \$1.55 per Unit for aggregate gross proceeds of \$5,413,065, and net proceeds of \$4,796,987 (Note 10). There can be no assurance of continued access to significant equity funding. On September 4, 2025, the Company closed a brokered private placement of unsecured convertible debentures (Note 9) whereby the Company issued an aggregate of 11,500 convertible debentures at an issue price of \$1,000 per debenture for gross proceeds of \$11,500,000. The debentures mature on September 4, 2028, and bear interest at a rate of 9.0% per annum. There can be no assurance of continued access to significant debt funding.

<b>Contractual Obligations As at September 30, 2025</b>	<b>Total</b>	<b>Less than 1 year</b>	<b>1-3 years</b>	<b>3-5 years</b>	<b>After 5 years</b>
Accounts payable	\$ 553,966	\$ 553,966	\$ -	\$ -	\$ -
Accrued liabilities	1,028,826	1,028,826	-	-	-
Interest payable on convertible debentures	3,105,000	1,035,000	2,070,000	-	-
Rental commitments	54,648	54,648	-	-	-
Convertible debentures - principal	11,500,000	-	11,500,000	-	-
Due to related parties	430,539	-	430,539	-	-
<b>Total Contractual Obligations</b>	<b>\$ 16,672,979</b>	<b>\$ 2,672,440</b>	<b>\$ 14,000,539</b>	<b>\$ -</b>	<b>\$ -</b>

d) Foreign exchange risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company does not hedge its exposure to fluctuations in foreign exchange rates. The majority of the Company's operations and transactions are conducted in US dollars, with certain expenses incurred in CAD.

**13. Capital Management**

The Company defines capital as shareholders' equity (deficit), amounts due to related parties, and convertible debentures. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, to pursue the development of its technology and products, to pursue investments mergers and acquisitions that will grow the business, and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

There were no changes in the Company's approach to capital management during the period.

**14. Revenue**

The timing of the Company's revenue recognition, in accordance with IFRS 15, are as follows:

	<b>Three months ended September 30, 2025</b>	<b>Three months ended September 30, 2024</b>	<b>Nine months ended September 30, 2025</b>	<b>Nine months ended September 30, 2024</b>
Goods and services transferred at a point in time	\$ 9,627,368	\$ 3,739,180	\$ 18,085,900	\$ 9,979,972
Services transferred over time	892,170	787,140	2,350,279	2,024,166
<b>Total revenues</b>	<b>\$ 10,519,538</b>	<b>\$ 4,526,320</b>	<b>\$ 20,436,179</b>	<b>\$ 12,004,138</b>

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**15. Commitments and contingencies**

In the ordinary course of business, from time to time, the Company is involved in various claims related to operations, rights, commercial, employment or other claims. Although such matters cannot be predicted with certainty, management does not consider the Company's exposure to these claims to be material to these financial statements.

As described in Note 6, the Company has contractual commitments for medical consulting services with a director of the corporation.

The Company has entered into an agreement VS Digital Health Corporation ("VS Digital Health"), a subsidiary of VST, in which the companies have agreed to share profits generated through the use of certain technologies that was developed jointly by the companies. The agreement requires that for all income, licensing fees, pharmacy sales and other proceeds arising from a White Label Transaction (as defined in the agreement), 10% of the proceeds, after deducting operating expenses, shall be distributed to VS Digital Health Inc. Any payments required to VS Digital Health under the agreement as at September 30, 2025, have been waived, however, there could be required distributions in future periods.

The Company renewed the workspace agreement on its Las Vegas office for a twelve-month term ending June 30, 2026, at USD \$4,400 per month for a total commitment of USD \$39,600 as at September 30, 2025.

***Perfect Scripts LLC Transaction***

On September 1, 2025, the Company entered into binding definitive agreements (collectively, the "Definitive Agreement") with Perfect Scripts LLC ("Perfect Scripts"), an arm's length limited liability company based in Texas, in respect of a strategic partnership. Pursuant to the Definitive Agreement, the parties have agreed that: (a) Hydreight will acquire an initial 5% interest in the issued and outstanding common stock in the capital of Perfect Scripts in consideration for 2,250,000 common shares in the capital of Hydreight (the "Hydreight Compensation Shares"), with each Hydreight Compensation Share issued at a deemed price equal to the greater of \$2.30 per share and the lowest price permitted by the policies of TSX Venture Exchange (the "Exchange"), (b) Hydreight and Perfect Scripts will partner to start a 503B pharmacy in the United States, (c) Hydreight will receive the lowest pricing for all products sold or made available by Perfect Scripts or its subsidiaries on the terms and conditions to be set out in a pharmacy services agreement to be entered into by the parties (the "Pharmacy Agreement"), and (d) Hydreight will be granted a right to (i) maintain its pro rata interest in the issued and outstanding common stock of Perfect Scripts, and (ii) acquire up to an aggregate 40% interest in the issued and outstanding securities of Perfect Scripts (collectively, the "PS Transaction").

The Company will pay a cash finder's fee of \$258,750, representing 5% of the deemed value of the PS Transaction, to a finder in connection with the PS Transaction. The completion of the PS Transaction (the "Closing") is subject to the fulfillment or waiver of several conditions, including receipt by Hydreight of approval from the Exchange, and the Closing will occur on a date to be mutually agreed to by the parties, following fulfillment or waiver of such conditions. The Company will disseminate a news release once the Closing occurs.

The Hydreight Compensation Shares (i) will vest in 25% increments every 1.5 months and will be fully vested on the date that is 6 months following the date of issuance, or such other vesting schedule as the Exchange may require, and (ii) will be subject to a restriction on sale pursuant to which Perfect Scripts may sell a maximum number of Hydreight Compensation Shares as is equal to 5% of the five day average daily trading volume of the common shares of Hydreight on the Exchange for the immediately prior five trading days.

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**16. General and Administration**

The following table outlines the components of general and administration expenses for the three and nine months ended September 30, 2025, and 2024:

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Insurance	\$ 26,429	\$ 28,059	\$ 80,654	\$ 84,147
Investor relations and capital markets	90,868	29,959	257,678	132,903
Meals and travel	61,937	44,948	154,524	135,969
Merchant processor and bank fees	272,088	204,386	625,878	529,535
Provision for sales tax <sup>1</sup>	-	108,832	101,765	108,832
Recruitment and other	35,670	25,008	55,851	57,044
Rent	68,623	56,596	191,509	165,831
<b>Total expenses</b>	<b>\$ 555,615</b>	<b>\$ 497,788</b>	<b>\$ 1,467,859</b>	<b>\$ 1,214,261</b>

<sup>1</sup>The Company is subject to state sales and use taxes in the United States, the determination of which requires interpretation of complex laws and regulations that vary in scope across all 50 states. Significant judgement is required in determining the Company's tax obligation. The Company's interpretation of state taxation law as applied to transactions and activities may not coincide with the interpretation of the state tax authorities. All state tax related filings are subject to state government audit and potential reassessment subsequent to the financial statement reporting period.

**17. Professional and Consulting Fees**

The following table outlines the components of professional fees for the three and nine months ended September 30, 2025, and 2024:

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Accounting and audit	\$ 60,680	\$ 37,878	\$ 271,440	\$ 128,265
Legal	192,947	48,546	448,324	189,459
Business strategy and development <sup>1</sup> (Note 6)	37,148	18,528	117,525	140,802
Medical, pharmacy, and administrative consulting <sup>2</sup> (Note 6)	84,637	40,987	275,004	347,437
Technical consulting <sup>3</sup>	25,063	123,500	76,095	292,634
<b>Total professional and consulting fees</b>	<b>\$ 400,475</b>	<b>\$ 269,439</b>	<b>\$ 1,188,388</b>	<b>\$ 1,098,597</b>

<sup>1</sup>Included in salaries, wages and consulting fees in key management compensation (Note 6). The amounts are net of a portion of expense allocated to intangible asset development and capitalized (Note 5).

<sup>2</sup>Included in medical, pharmacy, and administrative consulting for the three and nine months ended September 30, 2025 is \$41,326 and \$125,898 for CFO services disclosed in related party transactions as other related party transactions and \$12,399 and \$37,768 in fees paid under a medical consultation agreement (Note 6).

<sup>3</sup>The amounts are net of a portion of expense allocated to intangible asset development and capitalized (Note 5).

**18. Subsequent Events**

Subsequent to the period ended September 30, 2025, the Company issued 57,500 common shares on the exercise of purchase warrants for cash proceeds of \$115,000 and issued 145 common shares on the exercise of compensation warrants for cash proceeds of \$225.