JACK NATHAN HEALTH

JACK NATHAN MEDICAL CORP.

Management's Discussion and Analysis
For the year ended
January 31, 2025

This Management's Discussion and Analysis (MD&A) of Jack Nathan Medical Corp. and its subsidiaries (collectively referred as to the "Company" or "JNH") is dated July 10th, 2025 and provides information concerning the Company's financial condition and results of operations. This discussion contains forward-looking statements that involve risks and uncertainties. Our actual results, performance and achievements could differ materially from those implied by these forward-looking statements as a result of various factors, see section "Forward-Looking Statements".

BASIS OF PRESENTATION

This MD&A should be read in conjunction with the audited consolidated financial statements and accompanying notes for the years ended January 31, 2025, and 2024, which have been prepared in accordance with International Financial Reporting Standards ("IFRS").

All amounts are in Canadian dollars unless otherwise specified.

This MD&A contains non-IFRS measures, including Adjusted EBITDA. See the section "Adjusted EBITDA" for information on the calculation of Adjusted EBITDA.

The MD&A has been prepared by reference to the MD&A disclosure requirements established under National Instrument 51-102 - *Continuous Disclosure Obligations* ("NI 51-102") of the Canadian Securities Administrators. Additional information regarding the Company is available on the Company's website at https://jnhmedspa.com/ or through the Sedar+ website at www.sedarplus.ca.

FORWARD-LOOKING STATEMENTS

Except for the historical statements contained herein, this Management's Discussion and Analysis presents "forward-looking statements" within the meaning of Canadian securities legislation that involve inherent risks and uncertainties. Forward-looking statements include but are not limited to: future developments; use of funds; international expansion, growth plans, and higher revenue streams. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "proposed" "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of JNH to be materially different from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties; and the results of continued development, marketing and sales; as well as those factors disclosed in the Company's publicly filed documents. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Although management of JNH believe that the expectations reflected in such forward-looking statements are based upon reasonable assumptions and have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. JNH does not undertake to update any forward-looking statements that are included herein, except in accordance with applicable securities laws.

COMPANY OVERVIEW

Jack Nathan Medical Corp. ("JNH" or the "Company") is a healthcare services company focused on delivering high-quality, accessible medical and wellness care to patients in Canada and Mexico. The Company operates under two core brands: Jack Nathan Mexico, one of the country's largest private clinic networks, and Jack Nathan MedSpa, a growing aesthetic wellness platform in Canada. JNH aims to improve access to quality healthcare and improve patient outcomes through an integrated approach that emphasizes proactive and preventative care.

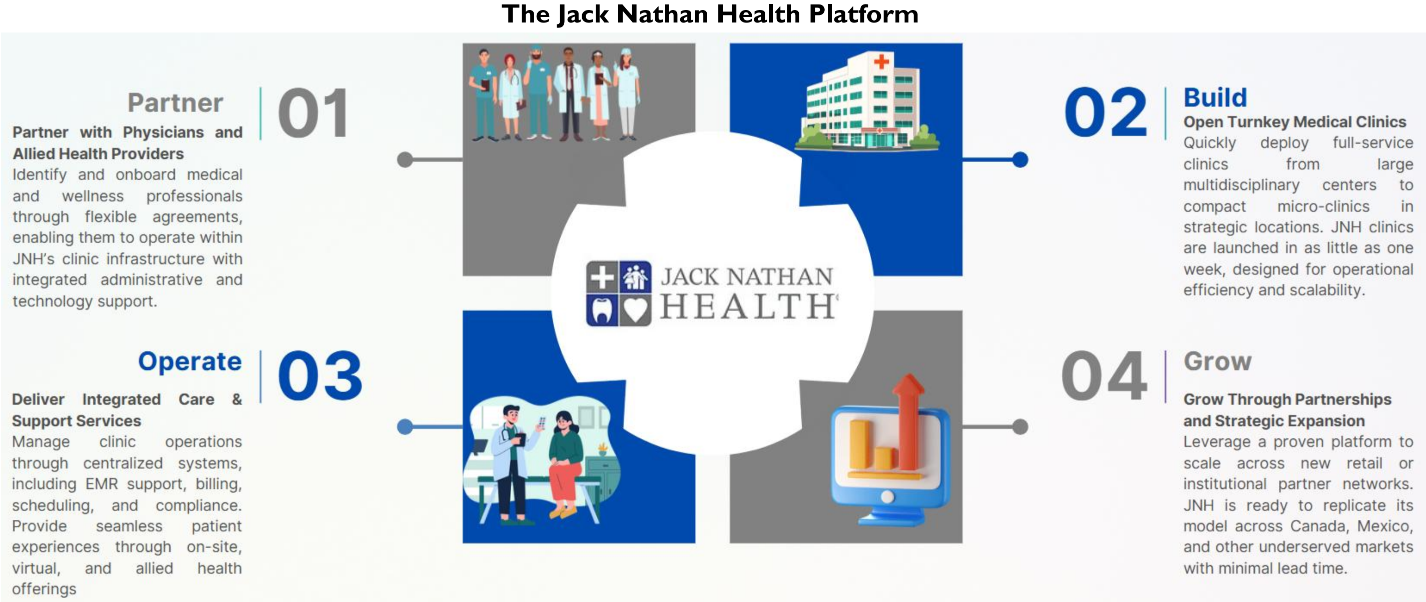
Historically, the Company's business model centered around building turnkey, barrier-free medical clinics in high-density retail centers in Canada and Mexico, in collaboration with Walmart. This model was designed to reduce access barriers for patients and lower operating costs for healthcare providers. As of November 30, 2024, JNH operated 84 clinics across Canada, including 24 corporate-owned clinics, of which 4 offered Rehab services and 5 operated as MedSpa clinics.

On December 1, 2024, the Company completed a strategic divestiture of its Canadian primary care medical clinic and licensee operations through an Asset Purchase Agreement with WELL Health Technologies Corp. The transaction included the sale of substantially all Canadian medical clinic assets and the extinguishment of approximately $15 million in secured obligations. Following this divestiture, the Company has refocused its operations on two core business units:

- **Jack Nathan MedSpa (Canada):** Operating 4 corporate-owned clinics in Ontario and Alberta, this division offers elective aesthetic services such as injectables, skin rejuvenation, laser therapies, and wellness treatments. The Company views this segment as a scalable, cash-positive platform with growth potential through acquisition and strategic investment.

- **Jack Nathan Mexico:** As of January 31, 2025, the Company operated 171 medical clinics in Mexico, including 165 retail clinics, 5 clinics in Walmart Distribution Centers, and 1 multidisciplinary flagship clinic. These clinics are fully corporately owned and were co-located within Walmart Mexico locations. However, following year-end, the Company announced that termination notices had been issued by Walmart Mexico, where operations have been ceased completely at all the locations as of June 30, 2025.

The Jack Nathan Health Platform



JNH operates under a proven healthcare delivery platform that connects patients and medical professionals through both bricks-and-mortar medical clinics and an integrated telemedicine network. This model allows JNH to deliver high-quality healthcare services in communities across Canada and Mexico, regardless of geography. In areas where JNH clinics are established, patients can conveniently access family physicians and allied health services, while time-constrained or remote populations can engage through virtual care and telehealth. This hybrid approach ensures consistent and coordinated care, designed to improve healthcare access and patient outcomes.

Over the years, JNH has developed the infrastructure, systems, and operating model necessary to support the turnkey rollout of both large multi-disciplinary medical centers and compact micro-clinics in high-traffic environments. The Company's platform enables the launch of new clinic locations, ranging from full-service medical hubs to streamlined community sites, within as little as one week, allowing for rapid scalability and responsiveness to partner or market needs.

While the Company's historical growth was closely aligned with Walmart, the clinic model is fully adaptable and partner-agnostic and is now being positioned to scale through new strategic relationships with retail, corporate, and institutional partners. JNH is committed to offering complete, ready-to-operate clinical environments that meet the needs of patients, healthcare providers, and commercial hosts alike. The Company's strength lies in delivering full-service, barrier-free medical centres that reduce friction for practitioners and improve access and convenience for patients, all within a flexible and scalable operating platform.

The JNH platform supports primary care, virtual care, and a broad range of allied health services including physiotherapy, chiropractic, skincare, and wellness. By integrating multiple services under one operational banner, JNH offers a comprehensive and patient-centric experience, while maximizing the efficiency and impact of its clinic operations.

As the Company transitions out of certain legacy locations, it remains focused on activating new growth through alternative site partnerships and network expansion opportunities. With a proven team, platform, and execution model, JNH is well-positioned to deliver value to new partners seeking to improve healthcare access in their own ecosystems.

Growth Strategy

Following the strategic exit from its Canadian primary care clinic operations and the announced wind-down of its Walmart Mexico clinics, Jack Nathan Medical Corp. ("JNH") is entering a new growth phase, anchored by a refined focus on high-potential business lines and flexible expansion channels. The Company's future growth strategy is structured across two primary pillars:

1. Expansion of Jack Nathan MedSpa (Canada)

Following the divestiture of its primary care medical clinic business in Canada, Jack Nathan Medical Corp. has sharpened its focus on scaling its aesthetic wellness division, operating under the Jack Nathan MedSpa brand. As of January 31, 2025, the Company operates four corporate-owned MedSpa clinics across Ontario and Alberta, providing a wide range of services such as injectables, laser therapy, skin rejuvenation, body contouring, facials, and other medical-grade cosmetic treatments.

Management views the MedSpa segment as a scalable, cash-positive platform and intends to grow the business through the following initiatives:

- Organic expansion into new high-demand markets, particularly in major urban and suburban centers.
- Strategic acquisitions of existing MedSpa businesses with established clientele and strong reputations.

- Service line enhancement by introducing new offerings, wellness packages, and high-value treatment bundles.

- Operational efficiency improvements through standardized protocols, shared services, and digital booking and CRM tools.

- Brand building through marketing campaigns, client loyalty programs, & focus on delivering exceptional patient experience.

- launching a curated line of retail MedSpa products, including skincare, post-treatment care, and wellness supplements. These products will be sold both in-clinic and through an e-commerce platform, enabling the Company to extend client engagement beyond clinic visits and build an additional revenue stream.

With its strong foundation, market demand, and operating capability, JNH believes the MedSpa business will continue to be a cornerstone of its Canadian growth strategy.

II. Redeployment of Turnkey Medical Clinics with New Retail Partners in Mexico

As the Company transitions out of its historical relationship with Walmart Mexico, with clinic operations ceased completely as of June 30, 2025, Jack Nathan Medical Corp. remains committed to its presence in the Mexican healthcare market through the redeployment of its turnkey clinic model in partnership with new retail and institutional entities.

Over the past several years, JNH built one of the largest privately held medical clinic networks in Mexico, operating 171 corporately owned locations, including retail clinics, distribution center clinics for Walmart associates, and one multidisciplinary flagship site. These clinics were supported by a network of more than 300 doctors across the country, representing a broad spectrum of general practitioners and specialist physicians. This operating scale reflects JNH's proven capability in delivering consistent, accessible care at scale.

Going forward, the Company will leverage its deep operational expertise, scalable infrastructure, and fully developed clinic systems to quickly rebuild its clinic footprint in Mexico by:

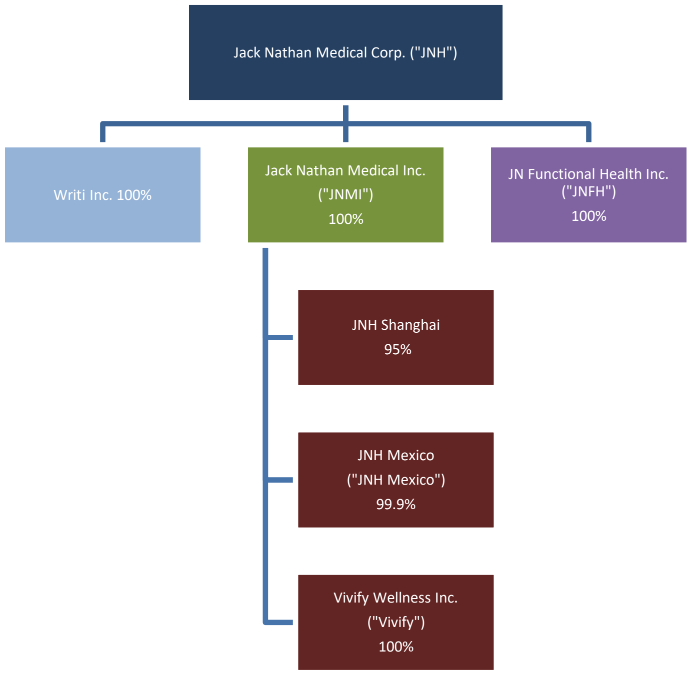
- Forming new partnerships with retail chains, pharmacy networks, commercial real estate operators, and institutional health providers interested in embedding healthcare services within their physical spaces.

- Rapidly deploying clinics using a plug-and-play model that supports both large-format multidisciplinary centers and micro-clinics, capable of going live in less than one week.

- Rehiring and retaining experienced medical and administrative staff from the former network to preserve continuity and reduce ramp-up time.

The Company's turnkey clinic infrastructure includes end-to-end design, staffing, practice management, billing, and compliance systems. This enables partners to provide physical space and strategic alignment, while JNH manages all aspects of clinical operations. By remaining partner-agnostic and platform-driven, JNH intends to rebuild and expand its medical clinic presence in Mexico through a more diversified, resilient partnership model.

Corporate Organizational Chart



Jack Nathan Medical Corp. ("JNH")
Jack Nathan Medical Corp. is the public company that resulted from a reverse takeover transaction on October 6, 2020. It owns 100% of JNMI, 100% of JNFH, and 100% of Writi.

Jack Nathan Medical Inc. ("JNMI")
JNMI is a 100% owned subsidiary of JNH. JNMI owns 99.9% of JNH Mexico, JNMI also owns 95% of JNH Shanghai, a joint venture in China, and 100% of Vivify Wellness Inc. which are both dormant.

Historically, JNMI operated the Company's Canadian licensee clinic model within Walmart stores. In December 2024, JNH completed the sale of its licensee and primary care clinic operations to WELL Health Technologies Corp. As of January 31, 2025, JNMI is no longer active in operational or financial activities.

Jack Nathan Functional Health Inc. ("JNFH")
JNFH was established to build and manage corporate-owned multi-disciplinary medical clinics across Canada. As part of the December 2024 transaction with WELL Health, JNFH sold all its medical clinic assets. As of January 31, 2025, JNFH operates the Company's four corporate-owned MedSpa clinics in Ontario and is focused on scaling this business line through internal expansion and acquisitions.

Writi Inc. ("Writi")
Writi is a fully owned subsidiary of JNH. The operations of Writi were discontinued as of November 30, 2023 and the entity is currently dormant.

NEWS AND HIGHLIGHTS DURING AND SUBSEQUENT TO THE YEAR ENDED JANUARY 31, 2025

1. Sale of Canadian Medical Clinic and Licensee Business

On December 1, 2024, Jack Nathan Medical Corp. completed the sale of substantially all of its Canadian medical clinic and licensee operations to WELL Health Technologies Corp., marking a significant strategic milestone for the Company. The transaction included the divestiture of all primary care medical clinics and licensee relationships located in Walmart Canada stores, along with related assets such as leasehold improvements, clinic equipment, and operational infrastructure.

Under the terms of the Asset Purchase Agreement (APA), the Company received total cash consideration of $5,000,000. In addition, Walmart Canada Corp. fully released JNH from approximately $15,000,000 in secured obligations, including loans payable, convertible debentures, and other payables. These obligations were extinguished in full as part of the transaction, significantly strengthening the Company's balance sheet and working capital position. The transaction allowed the Company to:

- Exit its legacy Canadian primary care and licensee clinic model;
- Improve financial flexibility and eliminate debt;
- Refocus on growth-oriented and higher-margin business lines, particularly MedSpa and international opportunities;
- Recognize a gain on sale of discontinued operations totaling $16.4 million, which is reflected in the Company's financial results for the year ended January 31, 2025.

Following the transaction, JNH no longer has any continuing obligations or liabilities related to the Canadian medical clinic and licensee business. All operational and financial activity associated with these clinics has been presented as discontinued operations in the consolidated financial statements in accordance with IFRS 5.

Approximately 60% of the proceeds from the Purchase Price for the Asset Sale were utilized to (i) settle Purchase Price advances made by WELL prior to closing the Asset Sale (the "Closing") to support the Company's cash flow requirements and business continuity needs pursuant to the previously reported interim financing agreement entered into between WELL and the Company, (ii) pay transaction costs (mainly legal costs) incurred in connection with the Asset Sale and certain accounts payable, and (iii) pay severance costs for staff and senior management who are not transferring to WELL and not remaining with the Company post-Closing.

2. Key Changes in Executive Leadership

During the fiscal year ended January 31, 2025, Jack Nathan Medical Corp. made key changes to its executive leadership in connection with its strategic restructuring and sale of the Canadian clinic operations.

- On July 1, 2024, the Company's Chief Financial Officer formally resigned.
- On December 1, 2024, Dr. Glenn Copeland, who held the roles of Chief Executive Officer, President, Chief Medical Officer, and Chairman of the Board, officially stepped down from all positions with the Company. He entered into a consulting agreement to provide advisory support for a three-month transition period following the transaction.
- Marcy Herriman, the Company's Chief Operating Officer, also stepped down on December 1, 2024 and agreed to provide operational consulting services for a three-month post-closing period.
- Mike Marchelletta, previously the Executive Vice Chairman, was appointed as the new Chief Executive Officer and President of the Company, effective December 1, 2024.

As part of the leadership transition, a total of 8.5 million Restricted Share Units (RSUs) held by Dr. Copeland and Ms. Herriman were fully settled at $0.03 per unit in accordance with their separation agreements. These settlements, along with contractual severance and consulting compensation, were recorded in the Company's consolidated financial statements for the fiscal year.

3. Termination of Mexico Contract with Walmart

On April 4, 2025, Jack Nathan Medical Corp. announced that Walmart Mexico had issued formal termination notices, effectively ending the Company's ability to operate clinics within Walmart Mexico retail and distribution center locations. As a result, all clinic operations across 171 corporately owned sites in Mexico have been ceased as of June 30 , 2025.

This development followed a prolonged period during which the Company sought to renegotiate commercial terms with Walmart Mexico, aiming to ensure continuity of business. Despite efforts to present revised options, including the possibility of transferring the Mexico operations to a successor operator, no agreement was reached. At the time of termination, the Company's Mexican network included:

- 165 retail medical clinics co-located inside Walmart Mexico stores,
- 5 on-site clinics within Walmart Mexico distribution centers, and
- 1 multidisciplinary flagship clinic.

The termination of this relationship represents a significant shift for the Company, as Mexico has historically comprised a substantial portion of JNH's overall clinic footprint. In response, the Company has initiated a strategic redeployment plan, seeking to re-establish medical clinic operations through new partnerships with retail chains, pharmacies, and institutional health providers. These discussions are ongoing.

As disclosed in earlier filings, the Company had also entered into a profit-sharing agreement with Walmart Canada Corp., tied to the future profitability of JNH Mexico. However, in light of the expected wind-down of operations and the lack of foreseeable profits, no liability has been recognized in connection with this agreement as of January 31, 2025.

SELECTED FINANCIAL INFORMATION

The following table summarizes the Company's recent results of operations and financial position for the year indicated. The selected consolidated financial information set out below has been derived from the consolidated financial statements for the past three years ended January 31, 2025, 2024 and 2023.

	2025	2024	2023
	$	$	
Revenues (Continuing + Discontinued)	**19,146,626**	**19,144,923**	**15,487,698**
Net loss from continuing operations	**(2,530,374)**	**(1,333,217)**	**(6,902,759)**
Net Income/(loss) from discontinued operations	**9,995,129**	**(5,302,750)**	**-**
Total comprehensive income/ (loss)	**7,678,435**	**(6,737,300)**	**(7,077,020)**
Income (loss) per share - basic (for continuing operations)	(0.03)	(0.02)	(0.08)
Weighted average number of shares outstanding - basic	87,099,159	85,533,444	84,298,351
Income (loss) per share - diluted (for continuing operations)	(0.03)	(0.01)	(0.08)
Weighted average number of shares outstanding - diluted	87,434,163	93,535,950	84,298,351

	2025	2024	2023
	$	$	$
Total assets	3,543,139	11,186,988	6,451,099
Total liabilities	2,219,164	17,133,828	8,318,856
Shareholders' Equity (Deficiency)	1,323,975	(5,946,840)	(1,867,757)

DISCUSSION OF RESULTS FOR THE THREE MONTHS AND YEARS ENDED JANUARY 31, 2025 AND 2024

Revenues

Continued operation	Three months ended Janaury 31		Year ended Janaury 31	
	2025	2024	2025	2024
	$	$	$	$
Medspa operation	276,955	161,449	1,027,569	540,735
Medical clinic operation- Mexico	2,041,339	2,271,791	7,678,864	6,346,905
Total revenues	**2,318,294**	**2,433,240**	**8,706,433**	**6,887,640**

	Three months ended Janaury 31		Year ended Janaury 31	
	2025	2024	2025	2024
Discontinued operation	$	$	$	$
Clinic operation - Canada	980,050	2,734,698	8,868,249	10,127,729
License revenues	(71,368)	241,771	1,571,944	2,129,554
Total revenues	**908,682**	**2,976,469**	**10,440,193**	**12,257,283**
Total (Continued + Discontinued)	**3,226,975**	**5,409,709**	**19,146,626**	**19,144,923**

For the fiscal year ended January 31, 2025, the company generated total consolidated revenue of $19,146,626, compared to $19,144,923 in the prior year end January 31, 2024. Revenues were classified between continuing operations and discontinued operations in accordance with IFRS 5 due to the sale of the Canadian primary care business.

<u>Revenue from Continuing Operations</u>

For the year ended January 31, 2025, total revenue from continuing operations were $8,706,433 (January 31, 2024 - $6,887,640) an increase of $1,818,793 or 26.41%. This revenue was generated from two core business lines:

- ***MedSpa Operations (Canada)***
  MedSpa revenues were $1,027,569 for the year ended January 31, 2025 as compared to $540,735 in the prior year, representing a 90% year-over-year increase. This growth was primarily driven by the maturing of new clinics and a steady increase in the number of new clients, improvement in repeat visits contributing to higher revenue.

- ***Medical Clinic Operations (Mexico)***
  These locations have ceased operations completely as of June 30, 2025 following the termination of JNH's agreement with Walmart Mexico.

Revenues (Continued)

Revenue from Discontinued Operations

Revenue from discontinued operations for the year ended January 31, 2025, totaled $10,440,193, compared to $12,257,283 in the prior year. This revenue includes contributions from the Company's former Canadian clinic operations and legacy licensee business, which were sold to WELL Health Technologies Corp. on December 1, 2024. The decrease reflects the fact that only ten months of operational activity (February through November 2024) were included in the current year's results, as the business was divested on December 1, 2024.

All revenue and expenses associated with these operations have been presented as discontinued operations in accordance with IFRS 5.

Adjusted EBITDA (Continuing operations)

We believe Adjusted EBITDA is a useful measure to assess the ongoing performance of our Company as it provides more meaningful operating results by excluding the effects of expenses that are not reflective of our underlying business performance as well as one-time or non-recurring expenses. We define Adjusted EBITDA as EBITDA adjusted to add back or deduct, as applicable, certain expenses, costs, charges, or benefits incurred in the period, which in management's view, are not indicative of normal operations, including: (i) restructuring costs, (ii) non-capitalized development costs, (iii) acquisition related costs, (iv) share compensation expense, (v) bad debt expense (recovery), (vi) other income (expense), (vii) gain on recognition of interest-free loan, (viii) finance costs (income), (ix) gain on termination of lease, (x) loss on investments at fair value, (xi) write down of investments, (xii) foreign exchange gain or loss and (xiii) listing expense.

Non-GAAP measure: Earnings before interest, taxes, depreciation, and amortization ("EBITDA") and Adjusted EBITDA should not be construed as alternatives to net income (loss) determined in accordance with IFRS. EBITDA and Adjusted EBITDA do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. Adjusted EBITDA is a meaningful financial metric as it measures cash generated from operations and is used by management to evaluate the Company's operating performance and cash-generating capability from its ongoing business segments. The Company's continuing operations during the year comprised its Canadian MedSpa division and its Mexico medical clinic operations, which remained active through year-end. The EBITDA for Fiscal Year 2025 reflects:

- Operating income from a full year of MedSpa services from four clinics in Ontario;
- Earnings contribution from Mexico clinic operations through January 2025;
- The exclusion of non-recurring and non-cash items such as share-based compensation, restructuring expenses, and gains/losses associated with discontinued operations.

The following table provides a reconciliation of net loss to Adjusted EBITDA for continuing operation:

	Year ended January 31	
	2025	2024
	$	$
Adjusted EBITDA	**(2,190,862)**	**(1,360,475)**
Share compensation expense	12,282	648,597
Depreciation & Amortization	276,499	295,925
Interest Income	(41,745)	(58,618)
Finance costs	63,535	32,445
Foreign exchange loss	123,699	(139,764)
Other Loss (Income)	(111,104)	—
Current income tax (recovery)	16,346	19,464
Deferred income tax (recovery)	—	(825,307)
Net loss (Continued operations)	**(2,530,374)**	**(1,333,217)**

Adjusted EBITDA for the year ended January 31, 2025 and January 31, 2024

Adjusted EBITDA (Continuing operation) for the year ended January 31, 2025, was ($2,190,862) compared to ($1,360,475), representing a decrease of $830,387. This decrease in adjusted EBITDA can be explained by the increase in expenses such as associate fees of $2,112,309, clinic operation expense of $557,077, salaries and wages of $237,499 consulting fees of $530,770. This was partially offset by an increase in revenue of $1,818,793 and a decrease in clinic supplies cost of $459,577, office and general of $46,469, advertising and promotion expense of $111,039, investor communication expense of $30,700 and professional fees of $140,690.

Income (loss) from Operations

Due to the completion of the Asset Purchase Agreement ("APA") on December 1, 2024, which resulted in the sale of the Company's Canadian primary care medical clinic and licensee operations, the Company's current year operating results reflect a significantly different structure than in the prior year. As such, a traditional year-over-year comparison would not provide meaningful insights into ongoing performance.

To provide a more accurate understanding of the Company's financial performance, management has segmented the analysis into continuing operations, which include the MedSpa business in Canada and medical clinics in Mexico, and discontinued operations, which encompass the legacy medical clinic in Canada and licensee operations up to the date of sale.

1. Income (Loss) from Continuing Operations ended January 31, 2025 and January 31, 2024

The loss from continuing operations for the year ending January 31, 2025 was $2,514,028 compared to $2,139,060 in 2024, representing an increase in operating loss of $374,968. The increase of loss during 2025 compared to 2024 consists of the following:

- An increase in associate fees of $2,112,309, from $3,253,172 in 2024 to $5,365,481 in 2025. The increase is primarily due to a full year of operations for the multidisciplinary clinic (MDC) in Mexico that opened in Q4 of fiscal 2024, compared to only two months of associate fee costs recorded in the prior year. These fees represent direct payments to medical and aesthetic professionals providing services at corporate-owned clinics.

- An increase in clinic operation expenses of $557,077, from $711,049 in 2024 to $1,268,126 in 2025. This increase is primarily attributable to a full year of operating costs associated with the multidisciplinary clinic opened in Q4 of fiscal 2024, which had only two months of expenses in the prior year. In addition, higher occupancy and staffing costs related to the continued ramp-up of MedSpa clinic operations contributed to the overall increase.

- A decrease in clinic supply costs of $459,577, from $1,277,785 in 2024 to $818,208 in 2025, primarily reflects the absence of one-time purchases made by the Company's Mexican subsidiary in the prior year. In fiscal 2024, approximately $240,000 of supply costs were related to the purchase of medical instruments intended for resale to Walmart Mexico. Excluding this non-recurring transaction, supply costs were relatively consistent, reflecting operational efficiency and steady clinic demand.

- An increase in consulting fees of $530,770, from $139,123 in 2024 to $669,893 in 2025. This increase is primarily due to final settlement cost of former CEO and COO and management consulting fees in Mexico, reflecting regular contractual increases and compensation adjustments for retained leadership and oversight of the Company's Mexican operations. These are not project-specific consulting costs but represent recurring personnel-related management expenses.

- Investor communications remained relatively flat and advertising & promotion costs decreased by 111,039 primarily due to less marketing activities during asset sale transaction.

- Office and general expenses decreased by $46,469, from $758,991 in 2024 to $712,522 in 2025, primarily due to the divestiture of the Canadian medical clinic operations. In the prior year, administrative overhead costs were shared across both the medical and MedSpa divisions. Following the sale of the Canadian medical units in Q4 2025, portion of centralized overhead expenses were eliminated. The MedSpa segment now operates with a leaner, dedicated cost structure, resulting in a more streamlined and focused administrative expense base.

- A decrease in professional fees of $140,690, from $1,332,073 to $1,191,383, and a substantial decline in share-based compensation expense, from $648,597 in 2024 to $12,282 in 2025, following the settlement of RSUs and no new stock options issued during the year.

- Salaries and wages increased by $237,499, from $279,663 in 2024 to $517,132 in 2025, primarily reflecting the normalized compensation of the retained operations following the divestiture of the medical clinic business. The increase is attributed to standard annual salary adjustments and realignment of staffing under the MedSpa-focused operational structure.

2. *Income (Loss) from discontinued Operations ended January 31, 2025 and January 31, 2024*

For the year ended January 31, 2025, the Company reported revenue of $10,440,193 and an operating loss of $4,756,228 from discontinued operations, which included the Canadian medical clinic and licensee business up until its divestiture on December 1, 2024. The operating loss reflects the high-cost structure of the legacy business, including medical associate fees, clinic-level staffing and operations, and overhead allocations across a national network of clinics.

While the discontinued operations generated a net operating loss, the Company recorded a net gain of $16,397,513 on the sale of assets, resulting in an overall net income from discontinued operations of $9,995,129 for the year. The gain primarily arose from the $5 million cash consideration received and the extinguishment of approximately $15 million in associated liabilities through the Asset Purchase Agreement (APA) with WELL Health Technologies Corp.

This one-time gain significantly improved the Company's financial position, eliminated legacy debt burdens, and allowed management to refocus on a leaner, more scalable business model centered on MedSpa operations and select strategic initiatives.

LIQUIDITY AND CAPITAL RESOURCES

Financial Highlights

As at January 31, 2025, the Company had $2,199,812 in cash compared to $3,067,220 cash as of January 31, 2024. During the year ended January 31, 2025, a total of $6,362,653 was used in operations and $4,446,667 was provided by investing activity mainly due to receipt of $5 million as a proceed from sale of medical and licensee business segment. The cash outflow from operations is driven by the regular clinic operation costs. Revenues for these clinics have not reached scalable size to cover these expenses at this stage. Financing activities generated gross proceeds of $1,041,706 as short-term loans from Walmart and funds received for construction in progress. The Company reported positive working capital of $1,405,394 at year-end, a significant improvement over the prior year's working capital deficiency of $541,980. This reflects the removal of over $15 million in secured liabilities, following the sale of the Company's Canadian medical clinic and licensee business and associated debt extinguishment.

Cash Flow and Cash Position

The following table summarizes the Company's major sources and use of cash for the year ended January 31, 2025, and 2024. This table should be read in conjunction with the consolidated statements of cash flows as shown in the consolidated financial statements for the years ended January 31, 2025, and 2024.

	January 31, 2025	January 31, 2024
	$	$
Cash outflow from operating activities	(6,362,653)	(6,108,538)
Cash flow used in investing activities	4,446,667	(4,088,687)
Cash flow from (used in) financing activities	1,041,706	11,911,950
Effect of foreign currency translation	6,872	(109,159)
Net (decrease)/Increase in cash	**(867,408)**	**1,605,566**

Operating activities

The cash outflow from operating activities increased by $254,115 which is primarily driven by severance and transition costs associated with executive leadership changes following the sale of the Canadian clinic operations.

Investing activities

The Company generated net cash inflow from investing activities of $4,446,667, compared to an outflow of $4,088,687 in the prior year. The increase was driven by the receipt of $5,000,000 in proceeds from the sale of the Canadian medical business, partially offset by capital expenditures of $1,179,150 primarily related to the MedSpa clinic operations.

Financing activities

Net cash provided by financing activities was $1,041,706, compared to $11,911,950 in the prior year. The current year's inflow primarily reflects construction grants received and proceeds from legacy loan drawdowns prior to the APA transaction. These were offset by repayments of lease obligations and settlement of RSUs of the outgoing executives.

Cash position and Liquidity Outlook

As of January 31, 2025, the Company had a positive working capital position of $1,405,394 representing a significant improvement compared to a working capital deficiency of $541,980 as of January 31, 2024. This turnaround is primarily attributed to the extinguishment of over $15 million in secured obligations as part of the sale of the Canadian medical clinic and licensee operations completed on December 1, 2024. The Company's capital structure has meaningfully strengthened, transitioning from a heavily debt-leveraged position to one that is debt-free, with improved liquidity and financial flexibility. This provides a stronger foundation as the Company focuses on its core MedSpa operations in Canada and assesses strategic redeployment opportunities for its Mexico clinic infrastructure. While the Company's capital structure is substantially healthier, ongoing liquidity remains dependent on the scaling of MedSpa operations and the successful re-entry into the Mexican healthcare market through new partnerships.

Management continues to monitor cash needs closely and is actively evaluating potential financing options, including strategic partnerships, equity issuance, or other non-dilutive sources of capital. The Company's current cash reserves are sufficient to support near-term operations; however, longer-term sustainability will require growth in recurring revenues and/or new capital sources. There can be no assurances that the Company will be able to secure the necessary financing to enable it to continue as a going concern. The factors noted above indicate the existence of material uncertainty that may cast significant doubt on the ability of the Company to continue as a going concern.

These consolidated financial statements have been prepared on the basis that assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. These consolidated financial statements do not reflect any adjustments that may be necessary should the Company be unable to continue as a going concern. The Company incurred a net loss from continued operation of $2,530,374 during the year ending January 31, 2025 and, as at that date, had a deficit of $25,260,535 and positive working capital of $1,405,394. Despite the reported loss, management believes the use of the going concern assumption is appropriate. This view is supported by the Company's deleveraged balance sheet, with no outstanding debt, significantly reducing future financing pressure. In addition, the Company's Canadian MedSpa business is now its core operating segment and is expected to generate neutral to positive cash flows in the near term. These factors, along with cost controls and a more focused operational model for MedSpa, support management's conclusion that the going concern basis of preparation remains appropriate, despite the presence of material uncertainty.

Key Indicators of Liquidity and Capital Resources

The following table summarizes the key indicators for the Company's liquidity and capital resources as of January 31, 2025, and 2024.

	January 31, 2025	January 31, 2024
	$	$
Cash	2,199,812	3,067,220
Current ratio	1.81	0.91
Working capital	1,405,394	(541,980)
Total debt	2,219,164	17,133,828
Total equity (deficiency)	1,323,975	(5,946,840)
Total debt to equity ratio	1.68	(2.88)

(a) Current ratio is defined as total current assets divided by total current liabilities
(b) Total debt is defined as total current liabilities plus total non-current liabilities
(c) Total debt to total equity ratio is defined as total debt divided by total equity

Capital Management

The Company's objective is to maintain a strong capital base to maintain investor, creditor, and market confidence and to sustain future development of the business. Management defines capital as the Company's total shareholders' equity and any outstanding debt. The board of directors does not establish quantitative return on capital criteria for management, but rather promotes year over year sustainable, profitable growth.

The following table summarizes the total capital of the Company as of January 2025, and 2024.

	January 31, 2025	January 31, 2024
	$	$
Loans payable	-	11,813,018
Equity comprised of:		
Share capital	19,977,634	19,977,634
Contributed surplus	6,601,693	6,844,411
Deficit	(25,260,535)	(32,560,388)
Accumulated and other comprehensive income (loss)	5,183	(208,497)

FINANCIAL INSTRUMENTS

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

Credit risk

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

The Company applies the simplified approach to providing for expected credit losses as prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables and contract assets. The loss allowance provision is based on the Company's historical collection and loss experience and incorporates forward-looking factors, where appropriate.

In determining the credit risk for trade receivables, management considers, amongst other factors, particularly, its historical credit experiences, its subsequent collection and adjusted for the outlook of industry and economy.

Based on the above methodology, as at January 31, 2025 the company has no loss allowance provision.

Liquidity risk

Liquidity risk is defined as the risk the Company may encounter due to difficulties in meeting obligations associated with financial liabilities. As of January 31, 2025, and January 31, 2024, the Company maintained adequate cash balances and credit facilities in order to meet its short-term business requirements, after taking into account cash flows from operations.

The following tables summarize the contractual maturities of financial liabilities:

January 31, 2025	Less than 1 year	1 to 5 years	Over 5 years	Total
	$	$	$	$
Accounts payable and accrued liabilities	1,667,101	-	-	1,667,101
Lease obligation	58,819	184,494	-	243,313
Total	**1,725,920**	**184,494**	**-**	**1,910,414**

January 31, 2024	Less than 1 year	1 to 5 years	Over 5 years	Total
	$	$	$	$
Accounts payable and accrued liabilities	4,005,243	-	-	4,005,243
Loans payable	2,010,883	9,802,135	-	11,813,018
Lease obligation	274,992	303,737	-	578,729
Total	**6,291,118**	**10,105,872**	**-**	**16,396,990**

Market Risk

Market risk is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices and is comprised of currency risk, interest rate risk, and other price risk. The Company believes it does not have any financial instruments that would be impacted by changes in market prices.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company does not have any instruments with a floating interest rate.

Currency risk

Currency risk arises on financial instruments that are denominated in a foreign currency, a currency other than the functional currency in which they are measured. Currency risk is not relevant to the foreign currency translation from functional currency to reporting currency. Because the Company primarily operates in Canada and the functional currency of the Company is Canadian dollars, the currency risk due to the fluctuations and volatility of foreign exchange rate is low.

The Company has a controlled operation in Mexico. The potential 5% increase or decrease in Mexican Peso would result in and increase or decrease in net loss of approximately $3,204 (2024 - $42,216).

RELATED PARTY TRANSACTIONS

During the year ended January 31, 2025, the Company engaged in transactions in the normal course of operations with the following related parties. All these transactions have been accounted for at the amount agreed to by the transacting parties as follows:

Transactions with key management personnel

The Company recorded compensation expense and consulting fees during the year ended January 31, 2025, in the amount of $2,226,325 (2024 – $1,201,305) to key management personnel, including the Chief Executive Officer (CEO), Chief Operating Officer (COO), and Chief Financial Officer (CFO). The 2025 amount includes salaries, separation settlements, consulting fees related to transition services, and RSU settlements. In contrast, the 2024 figure consisted solely of salary expense.

The following is a breakdown of compensation by category:

	For the Year ended	
	January 31, 2025	**January 31, 2024**
	$	**$**
Salaries	1,072,992	1,201,305
Settlement payments	848,333	-
RSU settlements	255,000	-
Consulting fees (transition)	50,000	-
Total	**2,226,325**	**1,201,305**

The Chief Financial Officer resigned effective July 1, 2024. The Chief Executive Officer and Chief Operating Officer ceased employment with the Company upon completion of the Asset Purchase Agreement on December 1, 2024. In connection with their departure, both the CEO and COO received separation settlement payments. The COO also entered into a three-month transition services agreement, under which the Company paid consulting fees totaling $50,000 during the year. All outstanding RSUs held by the CEO and COO were fully settled at a price of $0.03 per unit, in accordance with the Company's RSU Plan and the terms of their executive separation agreements.

Included in accounts payable on January 31, 2025, is $nil owing to a member of key management (2024 – $16,667).

Transactions with related parties other than key management personnel

The Company recorded director fees included in consulting fees in the amount of $146,250 (2024 - $280,468) to directors of the Company. As at January 31, 2025, the amount payable to directors was $422,459 (2024 - $665,529), which is included in accounts payable and accrued liabilities.

The Company paid legal fees of $57,000 (January 31, 2024 - $114,000) included in professional fees to a professional lawyer who is related to the Former CEO of the Company.

COMMITMENTS AND CONTINGENCIES

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

Profit Sharing Agreement – Contingent Liability

As part of the Asset Purchase Agreement ("APA") completed on December 1, 2024 with WELL Health Technologies Corp., Walmart Canada Corp. released the Company from all outstanding secured obligations, including loan payables, other payables, and convertible debentures, totaling $11,813,018 as at January 31, 2024. These liabilities were fully extinguished and derecognized from the Company's balance sheet as of the closing date.
In exchange, and as a condition of Walmart Canada's consent to the transaction, the Company, through its wholly owned subsidiary JNH Medico Mexico S.A. de C.V., entered into a Profit-Sharing Agreement with Walmart Canada Corp, effective December 1, 2024. Under the agreement:

- Walmart Canada is entitled to receive a portion of JNH Mexico's net profits, as defined under IFRS.

- The profit share percentage is:
  - 10% of net profits for the 14-month period ending January 31, 2026, and
  - 25% annually thereafter, up to a maximum of $4,000,000 in cumulative payments.
- The obligation is non-interest-bearing and has no fixed repayment schedule.
- It is secured by a general security agreement over all present and after-acquired personal property of JNH Mexico, which will automatically expire on May 31, 2030, irrespective of payment status.

As disclosed in Note [22] – Subsequent Events, JNH Mexico has ceased operations within Walmart Mexico locations effective June 30, 2025, following termination notices issued by Walmart Mexico. Due to this, and based on current forecasts, JNH Mexico is not expected to generate any net profit through the security period ending May 31, 2030. Accordingly, while the agreement remains in force, the Company has determined that the likelihood of future payments under the agreement is remote, and has not been recognized in the consolidated financial statements as at January 31, 2025.

CAPITAL MANAGEMENT

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

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

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the year ended January 31, 2025. The Company is not subject to externally imposed capital requirements.

SEGMENT INFORMATION

The Company's results are reported by geographical business units that operate in different countries. These segments reflect how the Company manages its business and how management classifies operations for planning and measuring performance.

The following tables present financial information by segment for the years ended January 31, 2025, and 2024:

	Canada (Continuing operation)	Canada (Discontiunued operation)	Mexico	Total
Year ended January 31, 2025	$	$	$	$
Revenues	1,027,569	$ 10,440,193	7,678,864	19,146,626
Net income (loss)	(2,594,463)	$ 9,995,129	64,089	7,464,755

Year ended January 31, 2025	$		$	$
Total assets	2,705,200	—	837,939	3,543,139
Long term assets	335,818	—	76,007	411,825
Property and equipment	102,627	—	76,007	178,634

	Canada	Mexico	Total
Year ended January 31, 2024	$	$	$
Revenues	12,798,018	6,346,905	19,144,923
Net income (loss)	(7,480,293)	844,327	(6,635,966)
As at January 31, 2024	$	$	$
Total assets	10,021,604	1,165,384	11,186,988
Long term assets	5,347,280	90,570	5,437,850
Property and equipment	3,740,853	90,570	3,831,423

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Internal Controls over Financial Reporting

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Company's President and Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure. As at January 31, 2025, management of the Company, with the participation of the Chief Executive Officer and the Director of Finance, evaluated the effectiveness of the Company's disclosure controls and procedures as required by Canadian securities laws. Based on that evaluation, the Chief Executive Officer and the Director of Finance have concluded that, as of January 31, 2025, the disclosure controls and procedures were effective (as such terms are defined under Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings) and other reports filed or submitted under Canadian securities laws are recorded, processed, summarized and reported within the time periods specified by those laws and material information is accumulated and communicated to management of the Company, including the Chief Executive Officer, as appropriate to allow timely decisions regarding required disclosure.

Management's Responsibility for Financial Information

Management is responsible for all information contained in this report. The annual consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and include amounts based on management's informed judgements and estimates. The financial and operating information included in this report is consistent with that contained in the annual consolidated financial statements in all material aspects.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate, and that assets are safeguarded.

RISK FACTORS

Ownership of the Company's common shares is subject to certain risks. Shareholders should consider the risks set forth below, which are in addition to the usual risks associated with an investment in a business at a relatively early stage of development. The directors of JNH consider the risks set forth below to be the most significant, but do not consider them to be all the risks associated with an investment in securities of the Company. If any of these risks materialize into actual events or circumstances or other possible additional risks and uncertainties of which the directors are currently unaware or which they consider not to be material in connection with JNH's business, occur, JNH's assets, liabilities, financial condition, results of operations (including future results of operations), business and business prospects, are likely to be materially and adversely affected. In such circumstances, the price of the Company's securities could decline, and investors may lose all or part of their investment.

Government regulations, permits, and licenses could inhibit the affairs of the Company

The current or future operations of the Company are, and will continue to be, governed by laws and regulations governing the health care industry, labor standards, occupational health and safety, land use, environmental protection, privacy and personal information, and other matters. Amendments to current laws, regulations and permits governing operations and activities of health clinics, or more stringent implementation thereof, could have a material adverse impact on the Company, which could cause increases in capital expenditures or costs, or a reduction in levels of its clinics. Additionally, the renewal, non-renewal and continuation of licenses, certifications and accreditations may be based on inspections, surveys, audits, investigations, or other reviews, such of which may require affirmative actions that could be burdensome.

Risks Associated with MedSpa Operations

The MedSpa industry is evolving and increasingly competitive. The Company's ability to grow and maintain profitability will depend on its ability to attract and retain qualified medical and aesthetic professionals, ensure consistent quality of care, maintain positive customer experiences, and differentiate its brand in a crowded marketplace. Additionally, changes in consumer demand, economic downturns, or reputational issues (including online reviews or litigation related to procedures) could materially impact revenues and growth.

Risks Related to Mexican Operations and Strategic Transition

The Company has announced the upcoming wind-down of its legacy clinic operations in Mexico and is pursuing new partnerships to redeploy its clinic platform. Operating in a foreign jurisdiction such as Mexico involves elevated risks, including currency fluctuations, changes in local regulations, political and economic instability, labor market challenges, and the ability to enforce contracts. There can be no assurance that the Company will be successful in securing new partners or resuming profitable operations in Mexico. The closure process itself may also involve unforeseen liabilities, restructuring costs, or legal exposures.

Competition in the MedSpa industry could have a negative impact on the profitability of the Company

The Company competes with both established healthcare service providers and newer entrants across the MedSpa and general healthcare sectors. Competitors may have more financial, technological, or marketing resources. If the Company fails to effectively differentiate itself, maintain service quality, or respond to market shifts, its profitability and market share could decline.

Dependence on Key Personnel and Medical Staff

The Company's success depends on its ability to attract and retain qualified management, medical directors, and licensed healthcare providers. The loss of key personnel or inability to recruit talent in a timely and cost-effective manner could materially impact the Company's operations and strategic execution.

Risks associated with acquisitions

As part of the Company's MedSpa growth strategy, the Company may pursue strategic acquisitions designed to expand its operations in both existing and new jurisdictions. Future acquisitions may expose it to potential risks associated with: (a) the integration of new operations, services and personnel; (b) unforeseen or hidden liabilities; (c) the diversion of resources from the Company's existing business and technology; (d) potential inability to generate sufficient revenue to offset new costs; (e) the expenses of acquisitions, or (f) the potential loss or harm to relationships with both employees and existing users resulting from its integration of new businesses. In addition, any new proposed acquisitions may be subject to regulatory approval.

Risks associated with international expansion

There is an inherent risk of expanding the Company's business in a foreign country including regulations that vary by country, and political and governmental instability. JHN may expand into countries that pose various risks associated with this instability and these markets come with substantial risks attached to them.

The Company's plan for rapid growth and expansion could strain management and its resources

The Company plans to grow rapidly and significantly expand its operations across Canada and internationally. This expansion may require additional investments and capital from time to time, and existing sources of cash and any funds may not provide sufficient capital and could strain systems and resources. To date, the Company has implemented some managerial, informational, operational, and financial systems and controls, however, there can be no assurance that these systems and controls will be adequate. The Company may be required to manage multiple relationships with various strategic partners, users, advertisers and other third parties. These systems and controls could be strained in the event of rapid growth, or a large increase in the number of third-party relationships. To manage the planned growth, the Company may be required to improve or replace existing managerial, informational, financial, and operational systems, procedures and controls, and to expand, train and manage its intended growing base of personnel. The Company may also be required to expand its finance, administrative, and operations staff. Although the Company expects that it will complete improvements to its systems in a timely manner, there can be no assurance that this will occur.

The Company will depend on its key personnel and its business may be severely disrupted if the company suffers the loss of their services

The Company has a small management team and the loss of a key individual or inability to attract suitably qualified staff could have a material adverse impact on the business. The Company may also encounter difficulties in obtaining and maintaining suitably qualified staff. The success of the Company also depends on the ability of management to interpret and respond to economic, market and other conditions to locate and adopt appropriate opportunities. No assurance can be given that the individuals with the required skills will continue employment with the Company or that replacement personnel with comparable skills can be found.

Risk of Non-Collection of MedSpa Service Fees

The Company generates revenue primarily through direct billing for MedSpa services provided at its corporate-owned clinics. There is a risk that the Company may face delays or defaults in collecting fees from clients, particularly in cases where services are prepaid, billed through third-party platforms, or bundled under promotional programs. In addition, disputes, cancellations, or customer dissatisfaction may result in refunds or chargebacks, which can reduce net revenue and increase administrative costs. Any material increase in unpaid balances, billing errors, or failed payment collections could adversely affect the Company's cash flows, working capital, and overall financial performance.

The Company may be subject to litigation risk as a result of JNH's operations in Mexico

The Company's operations in Mexico vary from in Canada. In Canada, JNH sub-licenses its rights to the healthcare provider who is ultimately responsible for the clinic's operations. This effectively removes JNH from any involvement in the clinic's day-to-day affairs. Conversely, in Mexico, JNH retains healthcare professionals to provide specific services at the clinic, while still maintaining responsibility over the patient's charting, payment collection and other day-to-day affairs of the clinic. Compared to JNH's operations in Canada, the operation model in Mexico could present greater risk of litigation as JNH is retaining responsibility over the clinic's daily operation. Litigation related to the foregoing could present significant expense to the Company thereby adversely affecting its operations.

Reliance on Lean Management and Operational Team

The Company currently operates with a small and centralized team across its executive, finance, and operations functions. While this lean structure supports efficiency and cost control, it also results in a higher level of dependency on a limited number of individuals for critical decision-making, oversight, and execution. The departure or unavailability of any key personnel particularly within finance, clinical operations, or senior leadership could have an immediate and material adverse effect on the Company's continuity, internal controls, and strategic progress. The Company may also face challenges in recruiting and retaining experienced professionals given the current scale and early-stage nature of its operations. As JNH expands its MedSpa business or pursues international partnerships, the ability to scale its team and infrastructure will be essential to managing risk and sustaining growth.

Vertical Integration

The success of JNH's ability to grow is partially dependent on the ability to integrate vertically and move towards corporate owned and managed clinics. There is no guarantee the Company will be successful and while it has retained experience and proven personnel to achieve this growth there are a variety of factors related to full clinic operations that could have an adverse effect on financial results.

Patient Privacy

Patient privacy laws with respect to health data across provincial and federal borders are strict and regularly enforced. JNH will work with regulators, politicians, and technical experts to maximize its potential for success in respect of its big data ambitions but privacy remains a substantial risk.

Factors which may prevent realization of growth targets

JNH's current growth strategy focuses on expanding its MedSpa platform in Canada through strategic acquisitions and new clinic launches, while also pursuing partnerships or redeployment opportunities for its medical clinic infrastructure in Mexico. There are inherent risks that these growth objectives may not be realized as planned. Delays, increased costs, or failure to achieve operational milestones may occur due to internal or external challenges, including:

- Delays in securing partnerships or locations for new MedSpa clinics or redeployment of medical centers in Mexico.
- Regulatory and licensing hurdles in establishing or transferring healthcare facilities, particularly in foreign jurisdictions.
- Dependence on third-party contractors and consultants for buildouts, renovations, or integration of acquired clinics.
- Execution risk related to onboarding new staff, integrating operations, or entering new markets.
- Limited internal resources to support rapid expansion, especially given the Company's lean management and operational team.
- Market adoption risks, including patient engagement, brand awareness, and regional demand for services.
- Global or regional disruptions, such as pandemics, civil unrest, natural disasters, or evolving geopolitical tensions including trade conflicts influenced by U.S. economic policies that may impact supply chains, consumer sentiment, or cross-border operations, potentially impeding the Company's ability to open or operate clinics.

Operating results and the financial condition of the Company may fluctuate and may not be consistent with expectations.

The operating results and financial condition of the Company may fluctuate due to several factors, some of which are outside of the control of the Company. In addition, actual or projected operating results may fail to match past performance. These events could in turn cause the market price of its securities to fluctuate. If operating results do not meet the expectations of security analysts or investors who may derive their expectations by extrapolating data from recent historical operating results, the market price of the shares will likely decline.

An investment in the Company is speculative and is subject to equity market risk

The price of the Company's common shares can be influenced by its outlook, market activity and regional, national, and international economic conditions. When the economy is expanding, the outlook for many issuers is equally promising, and the value of their equity securities should rise correspondingly. The opposite is also true. Typically, the greater the potential reward, the greater the potential risk. For small issuers and issuers in emerging sectors the risk and reward ratio are usually greater. Equity-related securities, which give indirect exposure to the equity value of an entity, such as warrants and convertible securities, can also be affected by this equity risk. Consequently, an investment in the Company's common shares is speculative.

The value of the Company's common shares may fluctuate and impact ability to raise additional financing

In recent years, the Canadian securities markets have experienced a high level of price and volume volatility and the market price of securities have experienced wide fluctuations. The market price of the Company's common shares may be volatile and could be subject to wide fluctuations due to a number of factors. Broad market fluctuations, as well as economic conditions generally and in the healthcare industry specifically, may adversely affect the market price of the shares. Additionally, there is no guarantee that there will be an active and liquid market for the securities of the Company. It may be anticipated that any quoted market for the Company's common shares will be subject to market trends generally, notwithstanding any potential success of the Company in creating revenues, cash flows or earnings. If an active public market for the securities does not develop, the liquidity of a shareholder's investment might be limited. The ability of the Company to raise financing in the future in the future will depend in part on the stock price of the Company's common shares and the prevailing capital market conditions.

The Company's shareholders may face dilution in the event of the issuance of additional securities

The Company's inability to raise future financing to support operations or to fund capital expenditures could have an adverse effect upon future profitability. If additional funds are raised through further issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution and any new equity securities issued could have superior rights, preferences, and privileges. Any debt financing secured in the future could involve restrictive covenants relating to capital raising activities and other financial and operational matters, which may make it more difficult for the Company to obtain additional capital and to pursue business opportunities, including potential acquisitions.

The Company may be subject to potential conflicts of interest

The Company may be subject to various potential conflicts of interest since some of its officers and directors may be engaged in a range of business activities. In addition, the Company's executive officers and directors may devote time to outside business interests, so long as such activities do not materially or adversely interfere with their duties to the Company. In some cases, the Company's executive officers and directors may have fiduciary obligations associated with these business interests which may possibly affect their efforts related to the Company's business and affairs and that could adversely affect the Company's operations. The Company looks to mitigate any issues whenever possible. The Company may also become involved in other transactions which conflict with the interests of its directors and the officers who may from time-to-time deal with persons, firms, institutions or corporations with which the Company may be dealing, or which may be seeking investments similar to those desired by it. The interests of these persons could conflict with those of the Company. In addition, and from time to time, these persons may be competing with the Company for available investment opportunities. Conflicts of interest, if any, will be subject to the procedures and remedies provided under applicable laws. In particular, if such a conflict of interest arises at a meeting of the Company's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation or such terms. In accordance with applicable laws, the directors of the Company are required to act honestly, in good faith and in the best interests of the company.

SHARE DATA

The following tables outline all outstanding voting or equity securities including stock options, warrants, registered share units ("RSU") and deferred share units (DSU") of the Company which are convertible into, or exercisable or exchangeable for, voting or equity securities as of July 10, 2025.

Common shares outstanding January 31, 2025	**87,099,159**
Issuance of shares	-
Common shares outstanding July 10, 2025	**87,099,159**

Stock options outstanding January 31, 2025	**1,650,000**
Options cancelled	350,000
Stock options outstanding July 10, 2025	**1,300,000**

DSUs outstanding January 31, 2025	335,004
DSUs excercised	-
DSUs outstanding July 10, 2025	**335,004**