MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis (this "MD&A") provides a review of the results of operations, financial condition and cash flows for Mednow Inc. ("Mednow" or the "Company"), for the six months period ended January 31, 2023.

This MD&A should be read in conjunction with the Company's audited consolidated financial statements for the years ended July 31, 2022 and 2021, including the supporting notes. The Company's audited consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS"). All amounts are expressed in Canadian dollars, unless otherwise identified.

The Company also reports certain non-IFRS measures such as EBITDA and Adjusted EBITDA that are discussed in the "Definitions of Certain non-IFRS Financial Measures" in this MD&A.

Unless otherwise stated, in preparing this MD&A the Company has taken into account information available up to the date of this MD&A, March 31, 2023, being the date the Company's board of directors (the "Board") approved this MD&A and the Financial Statements as at January 31, 2023. All quarterly information contained herein is unaudited. Additional information about the Company can be found in the Company's filings with securities regulatory authorities, which are available under the Company's profile on SEDAR at www.sedar.com.

CAUTIONARY NOTE REGARDING FORWARD LOOKING INFORMATION

This MD&A includes certain statements and information that may constitute forward-looking information within the meaning of applicable Canadian securities laws. All statements in this MD&A, other than statements of historical facts, including statements regarding future estimates, plans, objectives, timing, assumptions or expectations of future performance, including without limitation, the Company's expectation that during the next 12 months, the Company will build and open pharmacies in Canada, the Company's ability to secure institutional contracts and other business development initiatives, the ability to scale and grow the Company's businesses, the Company's ability to pursue and complete future acquisitions and investments, are forward-looking statements and contains forward-looking information. Generally, forward-looking statements and information can be identified by the use of forward-looking terminology such as "intends" or "anticipates", "forecasts" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", or "would" occur.

Forward-looking statements are based on certain material assumptions and analysis made by the Company and the opinions and estimates of management as of the date of this press release, including that during the next twelve months, the Company will build and open pharmacies in Canada, the Company will be successful in the deployment of its resources and personnel, the Company's operations will not be adversely impacted by COVID-19, the availability of financing, the cost of planned expansion, third party contractors and supplies and governmental and other approvals required to conduct the Company's planned activities will be available on reasonable terms and in a timely manner and that general business and economic conditions will not change in a material adverse manner, the Company will be able to control operating costs to be able to achieve its target and forecasted earnings and Adjusted EBITDA, the Company's web and mobile application will be able to support a higher number of patients and users who will use the application to transact with the Company, and the Company will be successful in its strategic objectives, including the integration of existing business acquisitions and the pursuit of other investments and acquisitions.

Factors that could cause actual results to vary materially from results anticipated by such forward looking statements include changes in market conditions, fluctuations in the currency markets, changes in national and local governments, legislation, taxation, controls, regulations, and political or economic developments in Canada or other countries in which the Company may carry on business in the future; risks relating to the credit worthiness or financial condition of suppliers and other parties with whom the Company does business; inadequate insurance or inability to obtain insurance to cover these risks; availability and increasing costs associated with operational inputs and labor; business opportunities that may be presented to, or pursued by the Company; the Company's ability to successfully integrate acquisitions; the ongoing economic impacts of the COVID-19 pandemic; and the risk factors discussed or referred to in this MD&A. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Investors are cautioned against attributing undue certainty to forward-looking statements. Other than specifically required by applicable laws, we are under no obligation and we expressly disclaim any such obligation to update or alter the forward-looking statements whether as a result of new information, future events or otherwise except as may be required by law. These forward-looking statements are made as of the date of this MD&A.

COMPANY OVERVIEW

Mednow is a healthcare company that has developed a web and mobile application to facilitate the sale and distribution of prescription medications, and the delivery of virtual care and telemedicine services. The Company's web application is accessible and compatible with the internet browsers Safari, Google Chrome, Mozilla Firefox, and Microsoft Edge on mobile phones and on personal computers. Through its technological infrastructure, the Company provides customers with a convenient and secure way to fill, order, receive and manage their prescriptions without having to physically attend a brick-and-mortar pharmacy.

The Company owns and operates brick-and-mortar pharmacies based in British Columbia and Ontario. The Company provides doctor services, including telemedicine services, virtual care, and doctor home visits for patients in Ontario.

On March 4, 2021, the Company completed its initial public offering ("IPO"). On March 9, 2021, the Company listed its common shares on the TSX Venture Exchange ("TSXV") under the symbol "MNOW".

Mednow is a Canadian public company incorporated under the Canada Business Corporations Act on January 17, 2018. The registered corporate office address is 10th Floor, 595 Howe St., Vancouver, BC V6C 2T5. The Company's website is www.mednow.ca. Mednow's fiscal year end is on July 31, 2022.

COVID-19

The economic impacts of COVID-19 in Canada have gradually reduced due to vaccination campaigns and preventative and emergency measures implemented by regulatory bodies. The Company continues to implement enhanced safety and health measures, including sanitization and cleaning protocols at its pharmacies and corporate offices. The potential emergence of other variants of COVID-19 may have adverse impacts on global economic conditions as well as on the Company's business activities. Management will continue to assess the impact of COVID-19 on its financial results.

STRATEGIC IMPERATIVES

The Company's core strategic imperatives include: growth of the pharmacy and doctor services businesses across Canada through the addition of institutional contracts and other business development initiatives; the pursuit of accretive acquisitions and investments in the healthcare industry; and proactive efforts to increase the user base of the Company's services.

Through its partnership with HepCURE, a non-profit company and one of Canada's leading Hepatitis C screening and treatment providers, the Company, through its wholly owned subsidiary, Liver Care Canada, offers patients access to HepCURE's programming and services to further improve medication adherence of Hepatitis C medications and to optimize treatment outcomes to help achieve the goal of eliminating Hepatitis C in Canada by 2030.

The Company will continue to pursue strategic acquisitions and investments in healthcare and pharmacies, which is part of its strategy to deploy capital to maximize shareholder value.

Mednow actively continues to add institutional contracts, such as the signed agreements with the Police Pensioner's Association of Ontario, a group representing multiple police services throughout the province of Ontario that promotes the mutual interests of police retirees and encourages a cooperative relationship; Sterling Capital Brokers Ltd., one of Canada's largest independent benefit consulting firms that specializes in servicing high growth small-to-medium size businesses; and Aya, a modern Canadian health technology company that provides personalized benefits though health and wellness spending accounts. These large contracts are expected to result in a lower cost of customer acquisition than traditional retail consumers.

CORE OPERATING BRANDS

The Company owns and operates five (5) brick-and-mortar pharmacies, out of which three (3) pharmacies operate under the trade name Mednow Pharmacy, one (1) pharmacy operates under the trade name Infusicare, and one (1) pharmacy operates under the trade name London Pharmacare. In addition to this, the Company's first franchised brick-and-mortar pharmacy opened for business in the province of Quebec in August of 2022, offering Mednow's fast, free prescription delivery and deep commitment to holistic, pharmacist-led patient care. The Quebec-based pharmacy is owned and operated by Pharmacie Raji Al-Kurdi Inc. and is operated pursuant to a franchise agreement (the "franchise agreement") between Mednow ("franchisor") and Pharmacie Raji Al-Kurdi Inc. ("franchisee").

MEDNOW PHARMACY

As at January 31, 2023, the Company owns and operates brick-and-mortar pharmacies under the trade name Mednow Pharmacy. The pharmacies serve walk-in patients, as well as online orders placed by patients using the Mednow web and mobile application.

INFUSICARE CANADA INC.

Infusicare Canada Inc. ("Infusicare"), is a brick-and-mortar pharmacy located in Ontario that specializes in biologic drugs, the fastest-growing class of drugs in the pharmaceutical industry.

LONDON PHARMACARE INC.

London Pharmacare is a brick-and-mortar pharmacy that specializes in drugs that treat liver disease and other hepatology medical conditions.

MEDVISIT

Medvisit provides in-home doctor and patient consultations in the province of Ontario to patients who are unable to leave their homes. Medvisit has been in operation for over 30 years, with approximately 30,000 patient home visits per year and has served over 400,000 patients since inception of the business.

MEDNOW VIRTUAL CARE

Mednow Virtual Care provides doctor services such as virtual care and telemedicine services to patients in the province of Ontario. The service can be accessed using the Mednow web and mobile application.

CORPORATE DEVELOPMENTS

Normal course issuer bid
On March 29, 2021, the Company gave notice of its intention to make a Normal Course Issuer Bid (the "Bid") to be transacted through the facilities of the exchange. The notice provides that the Company may, during the 12-month period commencing April 1, 2021 and ending April 1, 2022, purchase up to 1,093,873 Class A common shares of the Company in total, being 5% of the total number of 21,877,460 shares outstanding as at March 29, 2021. The share purchases were made on the open market through the facilities of the exchange and were purchased for cancellation. The funding for any purchase pursuant to the Bid was financed out of the working capital of the Company. The Company's Bid were made by Gravitas Securities Inc. on behalf of the Company through the facilities of the TSX Venture Exchange.

As at July 31, 2022, the Company purchased and cancelled a life to date total of 309,100 (2021: 309,100) common shares for $865,955 (2021: $865,955) of cash consideration. The life to date weighted average cost of the cancelled shares totaled $455,233 (2021: $455,233) resulting in a loss on cancellation of $410,840 (2021: $410,840) allocated to deficit. The Company did not purchase and cancel any shares during the year ended July 31, 2022.

National Instrument 44-101 Short form prospectus

On February 15, 2022, the Company filed a notice to the British Columbia Securities Commission, Alberta Securities Commission, Ontario Securities Commission, Manitoba Securities Commission and Financial and Consumer Affairs Authority of Saskatchewan under national instrument 44-101 of the Company's intention to be qualified to file a short form prospectus. The notice will remain in effect until withdrawn by the Company.

On July 15, 2022, the Company received receipt from the British Columbia Securities Commission, the Ontario Securities Commission for the Short Form Base Shelf Prospectus (the "prospectus"). The prospectus has been filed under Multilateral Instrument 11-102 Passport System in Alberta, Saskatchewan and Manitoba.

Private Placement

On February 8, 2023, the Company closed its private placement offering of gross proceeds of $1,800,000, which was raised from a director and shareholder of Mednow Inc., in exchange for 1,800 senior secured convertible debentures of the Company ("**Debentures**") at a price of $1,000 per debenture. The principal amount of each debenture will be convertible into 2,857 units of the Company (each a "**Unit**") at a conversion price of $0.35 per Unit at the option of the holder at any time prior to the earlier of: (i) the close of business on the maturity date which is 36 months following the date of issuance; and (ii) the business day immediately preceding the date specified by the Company for the redemption of the Debentures. The Debentures will bear annual interest of 12% and mature 36 months following the date of issuance. Each Unit will be comprised of one Class A common share in the capital of the Company and one Class A common share purchase warrant of the Company that will entitle the holder to purchase one Class A common share at a price of $0.45 per Class A common share for a period of 36 months from the date of issuance thereof, subject to applicable policies of the TSXV.

SELECTED FINANCIAL INFORMATION

Selected financial information of the Company for the three and six months ended January 31, 2023 and 2022, and the fiscal year ended July 31, 2022, is set forth below.

	Three months ended January 31,		Six months ended January 31,		Year ended July 31,
	2023	2022	2023	2022	2022
Revenue	$11,346,829	$ 2,003,925	$21,070,135	$ 2,687,586	$ 16,638,670
Net loss and comprehensive loss	(4,243,798)	(5,713,363)	(8,834,769)	(10,514,372)	(29,555,900)
EBITDA[1]	(3,404,704)	(5,438,633)	(7,133,985)	(10,101,306)	(28,128,156)
Adjusted EBITDA[1]	(2,811,808)	(4,162,058)	(6,036,069)	(7,228,826)	(15,801,467)
Total assets	14,184,705	32,070,757	14,184,705	32,070,757	18,131,993
Total liabilities	16,330,877	7,532,588	16,330,877	7,532,588	12,122,513
Basic and diluted net loss and comprehensive loss per common share	(0.20)	(0.26)	(0.41)	(0.49)	(1.37)

[1] EBITDA and Adjusted EBITDA are non-IFRS financial measures and have been discussed in the section Definitions of Non-IFRS Financial Measures.

RECONCILIATIONS OF NON-IFRS MEASURES

	Three months ended January 31,		Six months ended January 31,	
	2023	2022	2023	2022
Net loss and comprehensive loss for the period	$ (4,243,798)	$ (5,713,363)	$ (8,834,769)	$ (10,514,372)
Interest expense	127,574	11,404	226,886	14,683
Depreciation and amortization	684,835	263,326	1,386,513	398,383
Current income tax expense	26,685	—	87,385	—
EBITDA[1]	$ (3,404,704)	$ (5,438,633)	$ (7,133,985)	$ (10,101,306)
Loss on investment in equity securities	—	60,442	—	89,166
Share-based compensation	324,097	1,086,293	679,117	2,565,822
Acquisition costs	11,400	129,840	11,400	217,492
Severance expenses	74,000	—	224,000	—
Loss on disposal of assets and leases	183,399	—	183,399	—
Adjusted EBITDA[1]	**$ (2,811,808)**	**$ (4,162,058)**	**$ (6,036,069)**	**$ (7,228,826)**

[1] *EBITDA and Adjusted EBITDA are non-IFRS financial measures and have been discussed in the section Definitions of Non-IFRS Financial Measures.*

DISCUSSION OF OPERATIONS

Comparison of the Three and Six Months Ended January 31, 2023 and 2022

	Three months ended January 31,			Six months ended January 31,		
	2023	2022	Variance	2023	2022	Variance
Revenue	$11,346,829	$ 2,003,925	$9,342,904	$21,070,135	$ 2,687,586	$18,382,549
Cost of sales	10,097,083	1,649,628	8,447,455	18,592,646	2,071,965	16,520,681
Marketing and sales	135,272	491,862	(356,590)	555,726	983,013	(427,287)
General and administrative	4,029,150	4,184,437	(155,287)	8,241,146	7,160,062	1,081,084
Share-based compensation	324,097	1,086,293	(762,196)	679,117	2,565,822	(1,886,705)
Depreciation and amortization	684,835	263,326	421,509	1,386,513	398,383	988,130
Net loss and comprehensive loss for the period	(4,243,798)	(5,713,363)	1,469,565	(8,834,769)	(10,514,372)	1,679,603
EBITDA[1]	(3,404,704)	(5,438,633)	2,033,929	(7,133,985)	(10,101,306)	2,967,321
Adjusted EBITDA[1]	(2,811,808)	(4,162,058)	1,350,250	(6,036,069)	(7,228,826)	1,192,757
Basic and diluted net loss and comprehensive loss per common share	(0.20)	(0.26)	0.06	(0.41)	(0.49)	0.08

[1] *EBITDA and Adjusted EBITDA are non-IFRS financial measures and have been discussed in the section Definitions of Non-IFRS Financial Measures.*

Results of operations for the three months ended January 31, 2023 as compared to 2022

The total net loss and comprehensive loss for the three months ended January 31, 2023, was $4,243,798 ($0.20 loss per share) compared to $5,713,363 ($0.26 loss per share) for the three months ended January 31, 2022. The movements in revenue and expenses are detailed below:

- Revenue increased by $9,342,904 during the three month period ended January 31, 2023, driven primarily by sales from the Company's pharmacy operating segment. The Company's pharmacies based in British Columbia and Ontario collectively generated revenue of $10,839,642, as compared to $1,405,559 in the prior year comparative period. During the prior year comparative period, the pharmacies in Ontario had not been acquired, and the pharmacy based in British Columbia had been acquired during the first quarter. The Company generated revenue of $472,146 from its doctor services operating segment in the three months period ended January 31, 2023, as compared to $536,266 in the prior comparative period. The Company generated revenue of $nil from its pharmacy agreements, as compared to $62,100 in the prior year comparative period, which was generated from its pharmacy agreement with Mednow East and with

Mednow West. The pharmacy agreements with Mednow East and Mednow West were terminated on the date of acquisition of March 31, 2022, and October 25, 2021, respectively.

- Cost of sales were $10,097,083 during the three month period ended January 31, 2023, comprised of $9,747,421 of the cost of inventory sold at the pharmacies and $349,662 of the cost of consulting fees paid to doctors. Cost of sales has increased in the current year as a result of increased revenue that the Company generated from its pharmacies.
- Marketing and sales expenses decreased by $356,590 to $135,272 during the three months ended January 31, 2023. Marketing expenses are comprised of core branding and marketing initiatives to increase the exposure of the Company's brand and to acquire patients and users of Mednow's web and mobile application. The majority of marketing expenses were incurred for the Mednow Inc. operating segment, along with marginal spend incurred to promote and advertise the doctor services operating segment.
- General and administrative expenses decreased by $155,287 to $4,029,150 during the three months ended January 31, 2023. For the pharmacy operating segment, this is primarily comprised of the costs incurred for pharmacy staff and employees, including pharmacists that the Company employs, and operating costs for the pharmacies. For the doctor services operating segment, costs are mainly driven by the cost of salaries paid to Medvisit's staff, including its corporate and call center staff. The majority of general and administrative expenses were incurred for the Mednow Inc. operating segment, which includes i) salaries and subcontractor costs paid to the company's corporate office, ii) legal and professional fees, and iii) investor relations and other related public company costs.
- Share-based compensation decreased by $762,196 to costs of $324,097 during the three months ended January 31, 2023. The decrease in expenses is largely due to assumptions used in calculating the share-based compensation expense in accordance with the Black-Scholes option pricing model.
- During the three months ended January 31, 2023 depreciation and amortization expenses increased by $421,509 largely driven by amortization of costs which have been capitalized for the development of the Company's web and mobile application.
- EBITDA for the quarter was a loss of $3,404,704, as compared to a loss of $5,438,633 in the prior year comparative period, representing an increase in EBITDA of $2,033,929 compared to the prior comparative period. The change is primarily due to the increase in gross profit, resulting from increased revenues during the period, and a decrease in share-based compensation expenses. The Company has adjusted net loss and comprehensive loss for the period for certain items to calculate EBITDA, as summarized in the section Reconciliation of Non-IFRS Measures and the section Definitions of Non-IFRS Financial Measures.
- Adjusted EBITDA for the quarter was a loss of $2,811,808, as compared to a loss of $4,162,058 in the prior year comparative period, representing an increase in Adjusted EBITDA of $1,350,250. Adjusted EBITDA has been adjusted for certain items (Reconciliation of Non-IFRS Measures). EBITDA has been adjusted for certain items to calculate Adjusted EBITDA, summarized in the section Reconciliation of Non-IFRS Measures and the section Definitions of Non-IFRS Financial Measures. The composition of Adjusted EBITDA has changed and has been defined in the aforementioned section.

Results of operations for the six months ended January 31, 2023 as compared to 2022

The total net loss and comprehensive loss for the six months ended January 31, 2023, was 8,834,769 ($0.41 loss per share) compared to $10,514,372 ($0.49 loss per share) for the quarter ended January 31, 2023. The movements in revenue and expenses are detailed below:

- Revenue increased by $18,382,549 during the six month period ended January 31, 2023, driven primarily by sales from the Company's pharmacy operating segment. The Company's pharmacies based in British Columbia and Ontario collectively generated revenue of $20,051,830 as compared to $1,422,581 in the prior year comparative period. During the prior year comparative period, the pharmacies in Ontario had not been acquired, and the pharmacy based in British Columbia had been acquired during the first quarter. The Company generated revenue of $956,855 from its doctor services operating segment in the six months period ended January 31, 2023, as compared to $1,082,711 in the prior comparative period. The Company generated revenue of $nil from its pharmacy agreements, as compared to $182,294 in the prior year comparative period, which was generated from its pharmacy agreement with Mednow East and with

Mednow West. The pharmacy agreements with Mednow East and Mednow West were terminated on the date of acquisition of March 31, 2022, and October 25, 2021, respectively.

- Cost of sales were $18,592,646 during the six month period ended January 31, 2023, comprised of $17,882,281 of the cost of inventory sold at pharmacies and $710,365 of the cost of consulting fees paid to doctors. Cost of sales has increased in the current year as a result of increased revenue that the Company generated from its pharmacies.
- Marketing and sales expenses decreased by $427,287 to $555,726 during the six months ended January 31, 2023. Marketing expenses are comprised of core branding and marketing initiatives to increase the exposure of the Company's brand and to acquire patients and users of Mednow's web and mobile application. The majority of marketing expenses were incurred for the Mednow Inc. operating segment, along with marginal spend incurred to promote and advertise the doctor services operating segment.
- General and administrative expense increased by 1,081,084 to $8,241,146 during the six months ended January 31, 2023. For the pharmacy operating segment, this is primarily comprised of the costs incurred for pharmacy staff and employees, including pharmacists that the Company employs, and operating costs for the pharmacies. For the doctor services operating segment, costs are mainly driven by the cost of salaries paid to Medvisit's staff, including its corporate and call center staff. The majority of general and administrative expenses were incurred for the Mednow Inc. operating segment, which includes i) salaries and subcontractor costs paid to the company's corporate office, ii) legal and professional fees, and iii) investor relations and other related public company costs.
- Share-based compensation decreased by $1,886,705 to costs of $679,117 during the six months ended January 31, 2023. The decrease in expenses is largely due to assumptions used in calculating the share-based compensation expense in accordance with the Black-Scholes option pricing model.
- During the six months ended January 31, 2023 depreciation and amortization expenses increased by $988,130 largely driven by amortization of costs which have been capitalized for the development of the Company's web and mobile application.
- EBITDA for the six months ended January 31, 2023 was a loss of $ 7,133,985 as compared to a loss of $10,101,306 in the prior year comparative period, representing an increase in EBITDA of $2,967,321 compared to the prior comparative period. The change is primarily due to the increase in gross profit, resulting from increased revenues during the period, and decrease in share-based compensation expenses, partially offset against higher general and administrative expenses, which are comprised of corporate costs, such as increased head count, technology and marketing expenses. The Company has adjusted net loss and comprehensive loss for the period for certain items to calculate EBITDA, as summarized in the section Reconciliation of Non-IFRS Measures and the section Definitions of Non-IFRS Financial Measures.
- Adjusted EBITDA for the quarter was a loss of $6,036,069 as compared to a loss of $7,228,826 in the prior year comparative period, representing an increase in Adjusted EBITDA of $1,192,757. Adjusted EBITDA has been adjusted for certain items (Reconciliation of Non-IFRS Measures). EBITDA has been adjusted for certain items to calculate Adjusted EBITDA, summarized in the section Reconciliation of Non-IFRS Measures and the section Definitions of Non-IFRS Financial Measures. The composition of Adjusted EBITDA has changed and has been defined in the aforementioned section.

RESTATEMENT

The Company recorded a restatement to increase its prior year comparative revenue and cost of sales for the three month and six month period ended January 31, 2022. These adjustments were recognized in the Company's annual audited Consolidated Financial Statements for the year ended July 31, 2022. Revenue and cost of sales increased due to corrections in the gross billings for patient medical consultations relating to the Company's doctor services operating segment. The following table summarizes adjustments to revenue and cost of sales.

	Three months ended January 31, 2022			Six months ended January 31, 2022		
	As reported	**Adjustment**	**As restated**	**As reported**	**Adjustment**	**As restated**
Revenue	$ 1,890,429	$ 113,496	$2,003,925	$2,460,772	$ 226,814	$2,687,586
Cost of sales	1,536,132	113,496	1,649,628	1,845,151	226,814	2,071,965
Gross profit	354,297	—	354,297	615,621	—	615,621

SUMMARY OF QUARTERLY RESULTS

The following financial data for each of the eight (8) most recently completed quarters has been prepared in accordance with IFRS.

	Three months ended (unaudited)			
	April 30, 2021	**July 31, 2021**	**October 31, 2021**	**January 31, 2022**
Revenue	$ 124,200	$ 124,200	$ 683,661	$ 2,237,392
Net loss and comprehensive loss	(3,404,128)	(3,850,186)	(4,801,009)	(5,478,162)
EBITDA1	(3,359,184)	(3,753,496)	(4,662,673)	(5,205,059)
Adjusted EBITDA[1]	(1,882,455)	(2,203,582)	(3,066,768)	(3,928,484)
Total assets	36,871,403	34,171,322	32,935,825	32,216,320
Total liabilities	1,144,795	1,684,582	3,770,586	7,398,799
Basic and diluted loss and comprehensive loss per common share	(0.17)	(0.21)	(0.22)	(0.25)

	Three months ended (unaudited)			
	April 30, 2022	**July 31, 2022**	**October 31, 2022**	**January 31, 2023**
Revenue	$ 6,493,857	$ 7,223,760	$ 9,723,306	$ 11,346,829
Net loss and comprehensive loss	(5,422,226)	(13,854,503)	(4,590,971)	(4,243,798)
EBITDA[1]	(4,941,396)	(13,319,073)	(3,729,281)	(3,404,704)
Adjusted EBITDA[1]	(4,192,138)	(4,614,122)	(3,224,261)	(2,811,808)
Total assets	31,599,793	18,131,993	14,677,069	14,184,705
Total liabilities	11,634,792	12,112,513	12,903,540	16,330,877
Basic and diluted loss and comprehensive loss per common share	(0.25)	(0.64)	(0.21)	(0.20)

[1] *EBITDA and Adjusted EBITDA are non-IFRS financial measures and have been discussed in the section Definitions of Non-IFRS Financial Measures.*

The Company has continued to invest in building brick-and-mortar pharmacies that are equipped to fulfill a large volume of prescription and non-prescription orders, the development of advanced technological infrastructure which includes the Mednow web and mobile application that is used by patients to order and transact with the Company, and to hire its core internal teams including business development, technology, marketing and other shared support functions. The Company has also issued stock options in accordance with its stock option plan to attract and retain top talent. The share-based compensation expense on the stock options has been valued in accordance with the Black-Scholes option pricing model on the Company's Consolidated Statements of Loss and Comprehensive Loss.

CORPORATE UPDATE OF FINANCIAL PERFORMANCE

The Company provided a corporate update on February 24, 2022, on its progress towards the Company's calendar 2022 and 2023 financial objectives. The Company's results as at January 31, 2023, are as follows:

	For the month ended January 31, 2023 (unaudited)	
Revenue	$	3,310,282
Cost of Sales		2,986,182
Gross margin %		10%
Other costs		1,764,447
Net Loss and comprehensive loss		(1,440,347)
EBITDA[1]		(1,162,642)
Adjusted EBITDA[1]		(1,061,053)

[1] EBITDA and Adjusted EBITDA are non-IFRS financial measures and have been discussed in the section Definitions of Non-IFRS Financial Measures.

	For the period ended January 31, 2023 (unaudited)	
Net loss and comprehensive loss for the period	$	(1,440,347)
Interest expense		46,402
Depreciation and amortization		204,618
Current income tax expense		26,685
EBITDA[1]	$	(1,162,642)
Share-based compensation		101,589
Adjusted EBITDA[1]	**$**	**(1,061,053)**

[1] EBITDA and Adjusted EBITDA are non-IFRS financial measures and have been discussed in the section Definitions of Non-IFRS Financial Measures.

The Company has withdrawn its previously disclosed forward-looking information as it relates to calendar 2023.

FINANCIAL RESULTS BY OPERATING SEGMENTS

Information for each reportable operating segment is included below:

	For the three months ended January 31, 2023							
	Pharmacies		Doctor Services		Mednow Inc.		Total	
Revenue	$	10,839,642	$	472,146	$	35,041	$	11,346,829
Cost of sales		9,747,421		349,662		—		10,097,083
General and administrative		1,894,716		330,485		1,803,949		4,029,150
Share based compensation		—		—		324,097		324,097
Marketing and sales		6,497		6,616		122,159		135,272
Depreciation		363,896		6,496		314,443		684,835
Income tax expense		26,685		—		—		26,685
Other amounts in loss		276,343		810		16,352		293,505
Net loss	**$**	**(1,475,916)**	**$**	**(221,923)**	**$**	**(2,545,959)**	**$**	**(4,243,798)**

	For the three months ended January 31,			
	2022			
	Pharmacies	**Doctor Services**	**Mednow Inc.**	**Total**
Revenue	$ 1,405,559	$ 536,266	$ 62,100	$ 2,003,925
Cost of sales	1,250,018	399,610	—	1,649,628
General and administrative	464,140	242,001	3,478,296	4,184,437
Share based compensation	—	—	1,086,293	1,086,293
Marketing and sales	—	907	490,955	491,862
Depreciation	88,263	7,293	167,770	263,326
Income tax expense	—	—	—	—
Other amounts in loss	10,767	268	30,707	41,742
Net loss	**$ (407,629)**	**$ (113,813)**	**$ (5,191,921)**	**$ (5,713,363)**

	For the six months ended January 31,			
	2023			
	Pharmacies	**Doctor Services**	**Mednow Inc.**	**Total**
Revenue	$ 20,051,830	$ 956,855	$ 61,450	$ 21,070,135
Cost of sales	17,882,281	710,365	—	18,592,646
General and administrative	3,659,955	739,163	3,842,028	8,241,146
Share based compensation	—	—	679,117	679,117
Marketing and sales	14,949	8,886	531,891	555,726
Depreciation	752,896	12,992	620,625	1,386,513
Income tax expense	87,385	—	—	87,385
Other amounts in loss	341,103	1,084	20,184	362,371
Net loss	**$ (2,686,739)**	**$ (515,635)**	**$ (5,632,395)**	**$ (8,834,769)**

	For the six months ended January 31,			
	2022			
	Pharmacies	**Doctor Services**	**Mednow Inc.**	**Total**
Revenue	$ 1,422,581	$ 1,082,711	$ 182,294	$ 2,687,586
Cost of sales	1,272,782	799,183	—	2,071,965
General and administrative	603,973	435,115	6,120,974	7,160,062
Share based compensation	—	—	2,565,822	2,565,822
Marketing and sales	—	9,481	973,532	983,013
Depreciation	109,664	14,541	274,178	398,383
Income tax expense	—	—	—	—
Other amounts in loss	13,374	477	8,862	22,713
Net loss	**$ (577,212)**	**$ (176,086)**	**$ (9,761,074)**	**$ (10,514,372)**

	As at January 31,			
	2023			
	Pharmacies	**Doctor Services**	**Mednow Inc.**	**Total**
Non-current assets other than financial instruments	4,585,897	56,475	3,927,395	8,569,767

	As at July 31,			
	2022			
	Pharmacies	**Doctor Services**	**Mednow Inc.**	**Total**
Non-current assets other than financial instruments	5,656,156	64,669	3,925,347	9,646,172

LIQUIDITY AND CAPITAL RESOURCES

The Company has incurred ongoing losses and expects to incur further losses in the development of its business. At January 31, 2023, the Company had working capital of $(7,984,933). While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. As at January 31, 2023, the Company had $786,185 in cash (July 31, 2022: $4,970,532).

The condensed interim consolidated financial statements for the six months ended January 31, 2023 and 2022 do not include any additional adjustments to the recoverability and classification of certain recorded asset amounts, classification of certain liabilities and changes.

Financial instruments and risk management

Capital risk management
The Company's objectives in managing its capital are to ensure the Company's ability to continue as a going concern and to maintain a flexible capital structure of equity and debt financing to optimize the costs of capital with minimal risks. The Company considers the items included in shareholders' equity to be capital. The Board of Directors monitors the Company's capital position on a regular basis.

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 manages liquidity risk through the management of its capital structure, including the regular monitoring of cash flow and maturity dates of financial assets and liabilities.

The following table has been prepared based on the undiscounted cash flow of financial liabilities based on the earliest date on which the Company could be required to pay. The Company continues to pursue future financing options.

	As at January 31, 2023				
	On demand	**Within one year**	**Between one and five years**	**More than five years**	**Total**
Accounts payable and accrued liabilities	$ 6,292,067	$ —	$ —	$ —	$ 6,292,067
Bank indebtedness	3,689,764	—	—	—	3,689,764
Loan payable	—	—	30,000	—	30,000
Due to related parties	1,732,730	—	—	—	1,732,730
Other cash consideration	—	367,500	367,500	—	735,000
Contingent consideration	—	185,796	—	—	185,796
Lease liabilities	—	1,393,277	2,395,853	389,819	4,178,949
Total	**$11,714,561**	**$1,946,573**	**$2,793,353**	**$ 389,819**	**$16,844,306**

	As at July 31, 2022				
	On demand	**Within one year**	**Between one and five years**	**More than five years**	**Total**
Accounts payable and accrued liabilities	$3,902,601	$ —	$ —	$ —	$ 3,902,601
Bank indebtedness	2,673,589	—	—	—	2,673,589
Loan payable	—	—	30,000	—	30,000
Due to related parties	240,055	—	—	—	240,055
Other cash consideration	—	367,500	367,500	—	735,000
Contingent consideration	—	102,152	83,588	—	185,740
Lease liabilities	—	1,456,084	3,104,137	546,866	5,107,087
Total	**$6,816,245**	**$1,925,736**	**$3,585,225**	**$ 546,866**	**$12,874,072**

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to honor a financial obligation. Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash and cash equivalents, accounts receivable and due from related parties. As at January 31, 2023, the Company's maximum exposure to credit risk for these financial instruments was as follows:

	As at January 31, 2023	**As at July 31, 2022**
Cash and cash equivalents	$ 786,185	$ 4,970,532
Accounts receivable	2,581,056	1,709,002
Due from related parties	735,537	158,945

Currency risk

Currency risk is the risk that fluctuations in the US dollar, Euro, and Canadian dollar will impact the Company's results, including its financial statements. The Company's transactions that are exposed to the risk of foreign currency fluctuations primarily include the costs paid to develop the web application from US and Europe based third party companies, and other vendors and suppliers who invoice and require payment in US dollars and Euros. Due to the short-term payment terms on these trade payables, the Company's currency risk is minimal. The Company does not use derivative instruments to hedge its exposure to foreign currency translations.

CASH FLOWS BY ACTIVITY

Comparison of the Six Months Ended January 31, 2023, and 2022

The table below outlines a summary of cash inflows and outflows by activity for the six months ended January 31, 2023, and 2022.

	Six months ended January 31,	
	2023	**2022**
Net cash used in operating activities	$ (5,153,802)	$ (6,943,463)
Net cash from (used in) financing activities	$ 212,082	$ (199,981)
Net cash from (used in) investing activities	$ 757,373	$ (5,232,264)

Cash used in operating activities

The Company's cash outflows from operating activities for the six months ended January 31, 2023, primarily relate to (i) people costs, including salaries and consulting fees for the Company's pharmacy operations, marketing, and business development teams, (ii) legal and other professional fees incurred by the Company, and (iii) investor relations activities and related public company costs.

Cash flows from financing activities

During the period ended January 31, 2023, the Company paid $721,065 of lease liabilities primarily in connection with leased real estate space for the pharmacies and corporate offices in Ontario and British Columbia. The Company received net cash proceeds of $929,648, funds that were drawn from credit facilities with Canadian banks and net cash proceeds of $3,499 from sale of fixed assets.

Cash flows from investing activities
The Company paid $170,650 to develop the Company's web and mobile application and $14,704 for the leasehold improvement and to purchase furniture and fixtures. Also, the Company had net cash proceeds of $916,083 from related party loans.

RELATED PARTY TRANSACTIONS

The Company's related parties include key management personnel. Key management personnel includes the directors (executive and non-executive) and officers of the Company. Remuneration of key management personnel that was included in general and administrative expenses on the consolidated statements of loss and comprehensive loss is below.

	Three months ended January 31,		Six months ended January 31,	
	2023	2022	2023	2022
Management and director remuneration	$ 266,577	$ 625,852	$ 528,319	$ 1,070,090
Share-based compensation expense - directors and officers	134,978	592,098	276,998	1,184,197
	$ 401,555	**$ 1,217,950**	**$ 805,317**	**$ 2,254,287**

As at January 31, 2023, included in accounts payable and accrued liabilities was $26,262 (2021: $11,850) of payments owed to key management personnel.

Pursuant to its franchise and financing agreement with the franchisee, the Company paid for the franchisee's pharmacy set up costs and shared support services, such as payroll, marketing and accounting services. All amounts drawn from the line of credit are subject to the Company's approval. All amounts advanced and outstanding under the credit facility shall be repaid on demand by the franchisee at an interest rate of 5%. As at January 31, 2023, the franchisee has drawn $450,731 (2021: $nil) pursuant to its agreement.

	As at January 31, 2023	As at July 31, 2022
Due from related parties		
Medpoint Care Pharmacy.- non-interest bearing	127,536	74,351
Pharmacie Raji Al-Kurdi - on demand, interest bearing	450,731	—
Health Gate Pharmacy - on demand, non-interest bearing	27,842	—
Care Health Inc. - on demand, non interest bearing	32,259	—
Due from other related parties-non-interest bearing	97,169	84,594
	$ 735,537	**$ 158,945**
Due to related parties		
Due to Alirey Corp.	1,500,000	—
Point Edward Pharmacare Inc.- on demand, non-interest bearing	85,284	85,284
Thunder Bay IDA Pharmacy.- on demand, non-interest bearing	47,777	2,718
Care Education Inc.- on demand, non-interest bearing	71,302	97,277
2627639 Ontario Inc.- on demand, non-interest bearing	24,756	24,756
Due to other related parties- on demand, non-interest bearing	3,611	30,020
	$ 1,732,730	**$ 240,055**

During the period ended January 31, 2023, the Company sold prescription medications to Arcade and Jory Guardian Pharmacy, Midland Guardian Pharmacy, New Care Pharmacy and Wasaga Beach I.D.A. Pharmacy. These businesses are owned by Care Group of Pharmacies, a business controlled by management, directors and shareholders of Mednow Inc.

The related party transactions are conducted in the normal course of business operations and were measured at the exchange amount, which is the amount agreed to by the related parties.

	Three months ended January 31,		Six months ended January 31,	
	2023	**2022**	**2023**	**2022**
Revenues				
Mednow East Inc. pharmacy agreement	$ —	$ 62,100	$ —	$ 124,200
Mednow Pharmacy Inc. pharmacy agreement	—	—	—	58,094
Medpoint Pharmacy prescription sales	37,004	—	53,184	—
Health Gate Pharmacy prescription sales	7,288	—	14,065	—
Arcade and Jory Guardian Pharmacy prescription sales	—	—	12,772	—
Midland Guardian Pharmacy prescription sales	—	—	5,340	—
New Care Pharmacy prescription sales	—	—	1,750	—
Wasaga Beach I.D.A. Pharmacy prescription sales	5,379	—	9,589	—
	$ 49,671	**$ 62,100**	**$ 96,700**	**$ 182,294**
Cost of sales				
Compass Pharmacies Inc. inventory purchases	$ —	$ 13,175	$ 36,588	$ 27,955
General and administrative				
Care Health Inc. management fees	$ —	$ 15,000	$ —	$ 30,000
Mednow Clinic Ltd. payroll and office expenses	16,334	10,413	20,090	40,907
	$ 16,334	**$ 25,413**	**$ 20,090**	**$ 70,907**

OFF BALANCE SHEET ARRANGEMENTS

As at January 31, 2023, the Company had no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of preferred shares without nominal or par value and an unlimited number of common shares. The table below lists the securities outstanding:

	As at Mar 31, 2023
Common shares	21,568,359
Options	4,501,500
Warrants	
Share purchase warrants	6,260,893
Broker warrants	439,386
Total common shares on a fully-diluted basis	**32,770,138**

DEFINITIONS OF CERTAIN NON-IFRS FINANCIAL MEASURES

This MD&A uses certain non-IFRS financial measures which are defined below. Non-IFRS financial measures are not standardized financial measures under IFRS. As such, these measures may not be comparable to similar financial measures that are disclosed by other companies. These measures include "EBITDA" and "Adjusted EBITDA". These measures are provided as additional information that is disclosed to provide further insight into the Company's results of operations from management's perspective. These measures should not be reviewed and assessed as a substitute for financial information reported under IFRS. A reconciliation of the non-IFRS measures to the IFRS measure is in the section "Selected Financial Information".

EBITDA and Adjusted EBITDA

EBITDA represents net loss and comprehensive loss for the period before interest expense, income taxes, and depreciation and amortization expenses. Adjusted EBITDA represents net loss and comprehensive loss for the period before interest expense, income taxes, depreciation and amortization expenses, loss on investment in equity securities, share-based compensation expense, acquisition costs incurred, asset impairment charges, the fair value remeasurement of the note receivable from Doko and severance expenses. These adjustments to calculate the non-IFRS measures of EBITDA and Adjusted EBITDA are for items that are not necessarily reflective of the Company's underlying operating performance. As there is no generally accepted or standard method of calculating EBITDA, these measures are not necessarily comparable to similarly titled measures reported by other issuers. EBITDA and Adjusted EBITDA are presented as management believes it is a useful indicator of the Company's relative financial performance. These measures should not be considered by an investor as an alternative to net income or other IFRS financial measures as determined in accordance with IFRS.

The Company presents EBITDA and Adjusted EBITDA to indicate ongoing financial performance from period to period, including comparative prior year periods. The Company has disclosed certain non-IFRS measures on this report, including the disclosure of non-IFRS financial measures for prior year comparative periods.

Reconciliation of Non-IFRS Financial Measures

The following are reconciliations of net loss and comprehensive loss to EBITDA. The adjustments include:
1. The amortization and depreciation expenses of intangible assets, fixed assets, and the right-of-use assets of the Company.
2. The net interest expenses, which primarily includes interest expense on the Company's credit facility and interest expense and interest income recorded in accordance with IFRS 16.
3. The underlying income taxes recorded.

The following are reconciliations of EBITDA to Adjusted EBITDA. The adjustments include:
1. The loss on investment in equity securities in connection with the Company's investment in Life Support.
2. The share-based compensation expense recorded by the Company in connection with the stock option plan.
3. The acquisition costs incurred by the Company.
4. The asset impairment charges recorded by the Company as part of its annual impairment test of goodwill and intangible assets.
5. The fair value remeasurement of the promissory note with Doko.
6. The severance expenses incurred by the Company.
7. The loss on disposal of leases and assets.

The exclusion of certain items in calculating the non-IFRS measures does not imply that they are non-recurring, infrequent, unusual or not useful to investors.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The Condensed Interim Consolidated Financial Statements and other financial information contained in this report have been prepared by management. It is management's responsibility to ensure that sound judgement, appropriate accounting policies and reasonable estimates have been used to prepare this information and that the consolidated financial statements are in accordance with International Financial Reporting Standards.

Management is also responsible for designing, maintaining, and testing a system of internal controls over the financial reporting processes. Internal controls have been designed to provide reasonable assurance that the financial records are reliable, accurate and form a proper basis for the preparation of the consolidated financial statements. As of January 31, 2023, management reviewed and tested the internal controls over financial reporting and concluded that they were effective to provide reasonable assurance over the consolidated financial statements.

These condensed interim consolidated financial statements have not been reviewed by the Company's auditors. The Condensed Interim Consolidated Financial Statements are unaudited and include all items that management considers necessary for a fair presentation of the financial position, financial performance, and cash flows.

RISK FACTORS AND UNCERTAINTIES

The Company is subject to various financial, operational and political risks that could have a significant impact on its business, profitability and levels of operating cash flows. Although the Company assesses and seeks to mitigate these risks by careful management of its activities, resources and employing qualified personnel, these risks cannot be eliminated. Such risks include, but are not limited to, business and country risks discussed below.

For a discussion of these and additional risk factors, please refer to the Company's prospectus under "Risk Factors" therein. The prospectus filed on February 26, 2021, the short form base shelf prospectus filed on July 15, 2022, and the annual information form filed on February 15, 2022, is available under the Company's profile on SEDAR at www.sedar.com.

SUBSEQUENT EVENTS

On February 13, 2023, February 15, 2023 and March 3, 2023, the Board approved the grant of 427,500, 40,000, and 350,000 stock options, respectively, pursuant to the Company's stock options plan.