



Nova Leap Health Corp.

**Unaudited Condensed Interim Consolidated Financial Statements
For the three months ended March 31, 2026 and 2025**

(United States dollars)

Nova Leap Health Corp.

Unaudited Condensed Interim Consolidated Statements of Financial Position

(United States dollars)

As at	March 31, 2026 \$	December 31, 2025 \$
ASSETS		
Current assets		
Cash and cash equivalents	1,605,102	1,492,925
Accounts receivable	1,823,923	1,837,001
Prepaid expenses	303,338	261,452
Total current assets	3,732,363	3,591,378
Non-current assets		
Property and equipment	905,688	908,252
Intangible assets	491,977	550,639
Goodwill	17,004,182	17,056,993
Deferred income tax asset	1,302,769	1,374,084
Total non-current assets	19,704,616	19,889,968
TOTAL ASSETS	23,436,979	23,481,346
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	1,470,332	1,469,705
Client deposits payable	57,448	38,118
Demand loans (note 4)	1,669,014	1,786,887
Promissory notes (note 5)	129,041	125,899
Lease liability	326,668	305,575
Total current liabilities	3,652,503	3,726,184
Non-current liabilities		
Promissory notes (note 5)	96,562	94,248
Lease liability	602,967	618,897
Total non-current liabilities	699,529	713,145
TOTAL LIABILITIES	4,352,032	4,439,329
SHAREHOLDERS' EQUITY		
Share capital (note 6)	19,104,212	19,104,212
Contributed surplus	2,437,812	2,416,565
Accumulated other comprehensive loss	(1,722,805)	(1,419,901)
Deficit	(734,272)	(1,058,859)
TOTAL SHAREHOLDERS' EQUITY	19,084,947	19,042,017
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	23,436,979	23,481,346

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

Subsequent event (note 12)

Approved on behalf of the Board of Directors

<u>“Michael O’Keefe”</u>	<u>“Chris Dobbin”</u>
(signed) Director	(signed) Director

Nova Leap Health Corp.

Unaudited Condensed Interim Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)

(United States dollars)

For the	Three months ended March 31	
	2026	2025
	\$	\$
Revenues		
Service revenues	7,851,894	7,093,624
Operating expenses		
Cost of services	4,719,644	4,326,894
	3,132,250	2,766,730
Corporate and administrative expenses		
Head office and operations management	2,015,441	1,839,145
General & administrative	655,501	638,525
Amortization and depreciation	148,819	196,753
Stock-based compensation	21,247	17,155
	2,841,008	2,691,578
Income from operating activities	291,242	75,152
Other expenses		
Foreign exchange gain (loss)	245,819	(16,707)
Finance expense	(78,404)	(81,102)
Acquisition related expenses	(3,524)	(48,986)
Other expenses	-	(4,873)
	163,891	(151,668)
Income (loss) before income taxes	455,133	(76,516)
Income taxes		
Deferred income tax expense (recovery)	71,151	(45,401)
Current income tax expense	59,395	47,184
	130,546	1,783
Net income (loss)	324,587	(78,299)
Items that will be reclassified subsequently to profit or loss		
Foreign exchange (loss) gain on translation to presentation currency	(302,904)	15,830
Total comprehensive income (loss)	21,683	(62,469)
Net income (loss) per share – basic and diluted (note 7)	\$0.004	(\$0.001)

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

Nova Leap Health Corp.

Unaudited Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(United States dollars)

	Common shares	Share capital \$	Contributed surplus \$	Accumulated other comprehensive loss \$	Deficit \$	Total shareholders' equity \$
Balance at January 1, 2026	87,314,252	19,104,212	2,416,565	(1,419,901)	(1,058,859)	19,042,017
Stock-based compensation	-	-	21,247	-	-	21,247
Net income for the period	-	-	-	-	324,587	324,587
Loss on foreign currency translation	-	-	-	(302,904)	-	(302,904)
Balance at March 31, 2026	87,314,252	19,104,212	2,437,812	(1,722,805)	(734,272)	19,084,947
Balance at January 1, 2025	87,314,252	19,104,212	2,309,419	(2,295,700)	(868,995)	18,248,936
Stock-based compensation	-	-	17,155	-	-	17,155
Net loss for the period	-	-	-	-	(78,299)	(78,299)
Gain on foreign currency translation	-	-	-	15,830	-	15,830
Balance at March 31, 2025	87,314,252	19,104,212	2,326,574	(2,279,870)	(947,294)	18,203,622

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

Nova Leap Health Corp.

Unaudited Condensed Interim Consolidated Statements of Cash Flows

(United States dollars)

For the	Three months ended March 31	
	2026	2025
	\$	\$
Cash provided by (used in)		
Operating activities		
Net income (loss) for the period	324,587	(78,299)
Adjustments for items not affecting cash:		
Amortization and depreciation	148,819	196,753
Deferred income tax expense (recovery)	71,151	(45,401)
Stock-based compensation	21,247	17,155
Finance expense	79,131	81,102
Unrealized foreign exchange (gain) loss	(239,878)	13,470
Net change in non-cash operating working capital (note 8)	(8,851)	11,978
Cash provided by operating activities	396,206	196,758
Investing activities		
Acquisition of business (note 3)	-	(963,015)
Cash used in investing activities	-	(963,015)
Financing activities		
Proceeds from demand loan, net of transaction costs (note 4)	-	930,145
Repayment of demand loan (note 4)	(139,212)	(97,890)
Interest payments on demand loans (note 4)	(37,803)	(42,732)
Repayment of lease liability and interest	(104,570)	(93,232)
Cash (used in) provided by financing activities	(281,585)	696,291
Effect of foreign exchange rate change on cash and cash equivalents	(2,444)	314
Increase (decrease) in cash and cash equivalents for the period	112,177	(69,652)
Cash and cash equivalents - beginning of period	1,492,925	1,402,767
Cash and cash equivalents - end of period	1,605,102	1,333,115

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

Nova Leap Health Corp.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

(United States dollars)

For the three months ended March 31, 2026 and 2025

1. Nature of operations

Nova Leap Health Corp. (the “Corporation”) is the parent company and was incorporated under the Canada Business Corporations Act on November 16, 2015. The principal activities of the Corporation and its subsidiaries (the “Group”) are to provide healthcare services focused on home-based and community-based care. The Group is currently providing services in the United States as well as in Nova Scotia, Canada. The Corporation is a public corporation whose shares are listed and posted for trading on the TSX Venture Exchange under the symbol NLH and the over-the-counter market (OTCQX) in the United States under the symbol NVLPF.

These Unaudited Condensed Interim Consolidated Financial Statements include the accounts of the Corporation and its United States (“US”) and Canadian subsidiaries and are presented in United States dollars (“USD”) which is the functional currency of the majority of the Group’s business operations. The registered head office of the Corporation is located at 7071 Bayers Road, Suite 3006, Halifax, NS Canada B3L 2C2.

The Unaudited Condensed Interim Consolidated Financial Statements were approved by the Board of Directors on May 7, 2026.

2. Material accounting policies

Statement of compliance

These Unaudited Condensed Interim Consolidated Financial Statements are prepared in accordance with IAS 34, Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”). These Unaudited Condensed Interim Consolidated Financial Statements were prepared using the same accounting policies and methods of computation and are subject to the same use of estimates and judgments as the Corporation’s Audited Consolidated Financial Statements for the year ended December 31, 2025. These Unaudited Condensed Interim Consolidated Financial Statements do not include all disclosures required by IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) for annual consolidated financial statements and accordingly should be read in conjunction with the Corporation’s Audited Consolidated Financial Statements for the year ended December 31, 2025, prepared in accordance with IFRS Accounting Standards.

3. Business acquisitions

During the year ended December 31, 2025, the Corporation completed two business acquisitions. The combined total purchase price was \$1,280,023 and resulted in Intangible assets of \$358,879 and Goodwill of \$943,075 recognized by the Corporation.

Subsequent to March 31, 2026, 100% of the shares of a Nova Scotia based home care services business were acquired by the Corporation (See Note 12).

4. Demand loans

The changes in the demand loans for the period are as follows:

	March 31, 2026	December 31, 2025
	\$	\$
At amortized cost:		
Balance, beginning of period	1,786,887	1,211,204
Proceeds from issuance of demand loan	-	963,014
Debt issue costs	-	(25,203)
Guarantee insurance costs	(6,393)	(27,506)
Effective interest	56,613	237,843
Interest payment	(37,803)	(165,660)
Principal repayment in cash	(132,819)	(444,701)
Foreign exchange loss	2,529	37,896
Balance, end of period	1,669,014	1,786,887
Fair value	1,724,088	1,853,134

Nova Leap Health Corp.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

(United States dollars)

For the three months ended March 31, 2026 and 2025

4. Demand loans (continued)

During 2024, the Corporation entered into an agreement to amend its existing credit agreement with its primary lender. The amended credit facilities provided the Corporation with access to non-revolving demand loans of CAD \$1,380,000 and \$6,007,000 to assist with financing business acquisitions. As at December 31, 2024, \$1,316,000 was used to finance one of the business acquisitions completed in 2024.

During the three months ended March 31, 2025, the Corporation received proceeds of \$963,014 (CAD\$1,380,000) from the issuance of a demand loan to finance the business acquisition completed on January 20, 2025. The loan is repayable over a maximum amortization period of 60 months and interest is payable at the CAD prime rate plus 1.5%.

The non-revolving loans outstanding are repayable on demand, provided that until demands are made, blended monthly payments comprising the principal and interest be paid, based on the US base rate plus 1.5% and the CAD prime rate plus 1.5%, over the maximum amortization period. At March 31, 2026 the US base rate was 7.25% and the CAD prime rate was 4.45%.

The Corporation also has access to a \$1,076,117 (CAD\$1,500,000) revolving operating facility for working capital purposes from a Schedule 1 Canadian bank. The interest rate is the CAD prime rate plus 1.5%. Interest is calculated monthly in arrears, and payable on the last day of each month. The facility is repayable on demand. There was no outstanding balance on this facility as at March 31, 2026 or December 31, 2025.

The revolving operating facility and demand loans are secured through a registered General Security Agreement and joint and several unlimited guarantees from Nova Leap's US and Canadian subsidiaries.

5. Promissory notes

The changes in the promissory notes for the period are as follows:

	March 31, 2026	December 31, 2025
	\$	\$
Balance, beginning of period	220,147	330,196
Effective interest	5,456	33,718
Repayments	-	(143,767)
Balance, end of period	225,603	220,147
Current portion	129,041	125,899
Non-current portion	96,562	94,248
Balance, end of period	225,603	220,147
Fair value	227,029	228,072

The promissory notes were all initially recorded at fair value using a market interest rate of 9.75-10.5% and subsequently measured at amortized cost using the effective interest rate method.

The promissory notes are subject to a Guaranty Agreement from the Corporation and are subordinated to the demand loans (note 4).

6. Share capital

a. Authorized:

Unlimited number of common shares, without nominal or par value.

b. Issued and outstanding:

	March 31, 2026		December 31, 2025	
	Number of	Value	Number of	Value
	Shares	\$	Shares	\$
Balance, beginning and end of period	87,314,252	19,104,212	87,314,252	19,104,212

Nova Leap Health Corp.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

(United States dollars)

For the three months ended March 31, 2026 and 2025

7. Earnings per share

Basic earnings per share is calculated based on the weighted average number of shares outstanding during the period. Diluted earnings per share assumes that stock options and DSUs have been exercised on the later of the beginning of the period and the date granted. For the period ended March 31, 2026, 7,275,000 stock options were excluded from the computation of diluted income per share because their effect would have been anti-dilutive. For the period ended March 31, 2025, all stock options and DSUs were excluded from the computation of diluted income per share because their effect would have been anti-dilutive.

The following table summarizes the basic and diluted weighted average number of shares:

	Three months ended March 31	
	2026	2025
Weighted average number of shares used in basic earnings per share	87,314,252	87,314,252
Shares deemed to be issued for no consideration in respect of share-based payments	686,849	-
Weighted average number of shares used in diluted earnings per share	88,001,101	87,314,252

8. Supplemental cash flow information

The change in the non-cash operating working capital is as follows:

	Three months ended March 31	
	2026	2025
	\$	\$
Change in non-cash operating working capital:		
Accounts receivable	13,078	10,447
Prepaid expenses	(41,886)	11,629
Accounts payable and accrued liabilities	627	(2,624)
Client deposits payable	19,330	(7,474)
	(8,851)	11,978
Supplemental information:		
Interest paid	50,648	58,409
Income taxes paid	38,472	7,381

9. Related party transactions

Transactions with related parties are in the normal course of operations and are measured at the exchange amount, which is the amount agreed to by the parties. Related parties include members of the Board of Directors, as well as the Chief Executive Officer and the Chief Financial Officer.

Corporate and administrative expenses include the following related party remuneration expenses:

	Three months ended March 31	
	2026	2025
	\$	\$
Management compensation	93,971	122,100
Directors' compensation	35,005	33,443
Stock-based compensation	18,672	14,470
	147,648	170,013

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Notes to the Unaudited Condensed Interim Consolidated Financial Statements

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For the three months ended March 31, 2026 and 2025

9. Related party transactions (continued)

As at March 31, 2026, there was \$25,407 included in accounts payable and accrued liabilities for amounts owed to officers of the Corporation for compensation and expense reimbursements (December 31, 2025 – \$83,619) and \$ 10,761 for amounts due to directors for directors’ fees (December 31, 2025 – \$10,944).

On January 20, 2025, the Corporation acquired 100% of the shares of an affiliated Nova Scotia based home care business. The acquisition was a non-arm’s length transaction as the shares were previously controlled by the Chief Executive Officer and a shareholder holding more than 10% of the outstanding shares of the Corporation.

10. Financial instruments

The Group’s risk management is coordinated at its Head Office, in close cooperation with the Board of Directors, and focuses on actively securing the Group’s short to medium-term cash flows by maximizing cash flow from operations. The Group is exposed to various risks in relation to financial instruments. The main types of risks are credit risk, liquidity risk and market risk. The Group is exposed to the same risks in the current year as it was exposed to in the prior year. The most significant financial risks to which the Group is exposed are described below.

Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, for example by granting receivables to customers and placing deposits.

The Group’s maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at the end of the reporting period, as summarized below:

Classes of financial assets – carrying amounts	March 31, 2026	December 31, 2025
	\$	\$
Cash and cash equivalents	1,605,102	1,492,925
Accounts receivable	1,823,923	1,837,001
	3,429,025	3,329,926

Credit risk management

The credit risk is managed on a group basis based on the Group’s credit risk management policies and procedures.

The credit risk in respect of cash balances held with banks are managed by only using major reputable financial institutions.

The Group does not specifically assess the credit quality of clients based on a credit rating but through an informal process while onboarding for service. Invoice terms are generally payable within thirty days. The ongoing credit risk is managed through regular review of the aging analysis.

At certain locations, clients are required to pay an upfront deposit, mitigating the credit risk. As at March 31, 2026, the Group had \$57,448 collected for client deposits (December 31, 2025 - \$38,118), representing approximately 3.1% of outstanding accounts receivable, billed and accrued (December 31, 2025 – 2.1%).

Liquidity risk

Liquidity risk is the risk that the Group might be unable to meet its obligations. The Group manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities as well as forecasting cash inflows and outflows due in day-to-day business. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a quarterly outlook period are identified monthly. Net cash requirements are compared to available cash balances and available borrowing facilities in order to determine headroom or shortfalls. This analysis shows that available borrowing facilities and available cash are expected to be sufficient for the next twelve months.

The Group considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and accounts receivable. The Group’s existing cash resources and accounts receivable, in addition to the current unused balance of the revolving operating facility and cash flow projections are expected to be sufficient to meet

Nova Leap Health Corp.

Notes to the Unaudited Condensed Interim Consolidated Financial Statements

(United States dollars)

For the three months ended March 31, 2026 and 2025

10. Financial instruments (continued)

current contractual cash outflow requirements. Cash flows from accounts and other receivables are all contractually due within 30 days.

The Group's financial liabilities have contractual maturities (including interest payments where applicable) as summarized below:

As at March 31, 2026	< 1 year \$	1-2 years \$	3-5 years \$	> 5 years \$
Accounts payable and accrued liabilities	1,470,332	-	-	-
Client deposits	57,448	-	-	-
Promissory notes, principal and interest	139,317	109,868	-	-
Demand loans, principal and interest	583,299	545,856	859,801	-
Lease liability, principal and interest	378,524	282,309	312,458	61,093
Total	2,628,920	938,033	1,172,259	61,093

As at December 31, 2025	< 1 year \$	1-2 years \$	3-5 years \$	> 5 years \$
Accounts payable and accrued liabilities	1,469,705	-	-	-
Client deposits	38,118	-	-	-
Promissory notes, principal and interest	136,116	113,067	-	-
Demand loans, principal and interest	587,650	552,638	995,173	-
Lease liability, principal and interest	357,489	279,235	316,738	80,770
Total	2,589,078	944,940	1,311,911	80,770

Market risk

The Group is exposed to market risk through its use of financial instruments and specifically to currency risk and interest rate risk, which result from both its operating and financing activities.

Foreign currency sensitivity

The Group's operations are predominantly carried out in United States dollars (USD). Exposure to currency exchange rates arise from the fact that the Group's equity offerings have been denominated in Canadian dollars (CAD) and will be denominated in CAD for the foreseeable future as the Corporation's shares are listed on a Canadian stock exchange and the Group has operations in Canada that transact in Canadian dollars.

Additionally, the Group finances operations through intercompany loans issued by the parent company in CAD to the US subsidiaries. Translation of these CAD items to USD within the USD functional currency operational entities, creates exposure to foreign exchange ("FX") risk in the determination of net income (loss). The translation of the CAD functional currency entities to the USD presentation currency creates exposure to FX risk through other comprehensive income. The Group does not hedge its net investment in its Canadian entities and the related foreign currency translation of their earnings, which flow through other comprehensive income (loss).

The Group's exposure to the Canadian dollar currency risk was as follows:

	March 31, 2026 CAD\$	December 31, 2025 CAD\$
Cash and cash equivalents	494,839	817,447
Accounts receivable	769,451	720,324
Accounts payable & accrued liabilities	(550,474)	(820,061)
Lease liability	(636,511)	(681,787)
Demand loan	(1,041,449)	(1,107,148)
	(964,144)	(1,071,225)

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Notes to the Unaudited Condensed Interim Consolidated Financial Statements

(United States dollars)

For the three months ended March 31, 2026 and 2025

10. Financial instruments (continued)

A change of 5.0% in the Canadian dollar exchange rate at March 31, 2026 would affect net income and comprehensive income and deficit by approximately \$33,000 (March 31, 2025 - \$54,000).

Interest rate sensitivity

As at March 31, 2026, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. An increase or decrease of 1% in interest rates would have affected net income and comprehensive income and deficit by approximately \$15,000 on an annual basis (March 31, 2025 - \$19,000).

Fair value

All financial assets and liabilities except for the demand loans and promissory notes are short-term. The carrying values of short-term financial assets and liabilities are a reasonable approximation of fair value. The fair value of the demand loans and promissory notes are disclosed in notes 4 and 5.

11. Segment reporting

Management identifies the Group's reportable segments as Canadian operations and US operations. All businesses provide home care services to clients. These operating segments are monitored by the Group's Chief Executive Officer and strategic decisions are made based on segment operating results. Group Head Office provides management oversight and expertise including merger and acquisitions services.

Segment information for the reporting period is as follows:

	For the three months ended March 31, 2026				
	US \$	Canada \$	Total Reportable Segments \$	Group Head Office \$	Total \$
Segment revenues	6,007,778	1,844,116	7,851,894	-	7,851,894
Cost of services	3,552,198	1,167,446	4,719,644	-	4,719,644
Gross margin	2,455,580	676,670	3,132,250	-	3,132,250
Corporate & administrative ⁽ⁱ⁾	1,912,990	426,367	2,339,357	331,585	2,670,942
Amortization and depreciation	85,224	47,370	132,594	16,225	148,819
Stock-based compensation	1,471	1,106	2,577	18,670	21,247
Segment operating income (loss)	455,895	201,827	657,722	(366,480)	291,242
Segment assets	17,836,559	4,325,115	22,161,674	1,275,305	23,436,979

	For the three months ended March 31, 2025				
	US \$	Canada \$	Total Reportable Segments \$	Group Head Office \$	Total \$
Segment revenues	5,778,563	1,314,634	7,093,197	427	7,093,624
Cost of services	3,476,355	850,539	4,326,894	-	4,326,894
Gross margin	2,302,208	464,095	2,766,303	427	2,766,730
Corporate & administrative ⁽ⁱ⁾	1,893,187	271,496	2,164,683	312,987	2,477,670
Amortization and depreciation	145,825	35,562	181,387	15,366	196,753
Stock-based compensation	1,658	1,033	2,691	14,464	17,155
Segment operating income (loss)	261,538	156,004	417,542	(342,390)	75,152
Segment assets	18,230,036	4,049,812	22,279,846	910,053	23,189,899

i) Corporate & administrative includes Head office and operations management expenses and general & administrative expenses.

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Notes to the Unaudited Condensed Interim Consolidated Financial Statements

(United States dollars)

For the three months ended March 31, 2026 and 2025

11. Segment reporting (continued)

The Group's revenues from external customers and its non-current assets are all attributable to the U.S. and Canada segments. Revenues from external customers are identified based on the client's geographical location. Non-current assets are allocated based on their physical location.

12. Subsequent events

On May 1, 2026, the Company acquired the shares of a home care services company located in Nova Scotia, Canada. Under the terms of the agreement, the acquisition was for total consideration of CAD\$3,500,000 of which CAD\$3,200,000 was payable with cash on closing and CAD\$300,000 by way of a promissory note repayable over a three-year period. The cash on closing was funded by way of a CAD\$2,200,000 draw on the Company's acquisition debt facility with its lender (see Note 4) and by CAD\$1,000,000 of cash on hand. It is anticipated that the purchase consideration will be allocated to certain identifiable intangible assets, goodwill and working capital, in a similar manner as prior acquisitions.