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**Revitalist Lifestyle and Wellness Ltd.**

Unaudited Condensed Interim Consolidated Financial Statements

For the Three Months Ended March 31, 2022 and 2021

(Expressed in Canadian dollars, unless otherwise noted)

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## Revitalist Lifestyle and Wellness Ltd.

Unaudited Condensed Interim Consolidated Statements of Financial Position  
(Expressed in Canadian dollars)

	March 31, 2022	December 31, 2021
	\$	\$
<b>Assets</b>		
<b>Current</b>		
Cash	1,396,188	3,886,851
Accounts receivable (Note 5)	164,632	153,291
Prepaid expenses	117,453	125,635
	<b>1,678,273</b>	<b>4,165,777</b>
Lease deposits	126,423	161,392
Property and equipment (Note 6)	401,081	407,294
Right-of-use assets (Note 10)	5,494,847	5,221,164
Goodwill (Note 8)	1,063,510	1,063,510
Intangible assets (Note 7)	826,817	725,650
	<b>9,590,951</b>	<b>11,744,787</b>
<b>Liabilities</b>		
<b>Current</b>		
Accounts payable and accrued liabilities (Note 9)	759,051	686,674
Acquisition consideration payable (Note 4)	1,966,434	1,916,556
Lease obligations (Note 10)	835,464	679,507
	<b>3,560,949</b>	<b>3,282,737</b>
Long term lease obligations (Note 10)	5,056,572	4,805,944
Long term share consideration payable (Note 4)	20,487	-
	<b>8,638,008</b>	<b>8,088,681</b>
<b>Shareholders' Equity (Deficiency)</b>		
Share capital (Note 13)	13,369,210	13,369,210
Share options and warrants	3,750,879	3,198,819
Deficit	(15,735,223)	(12,613,135)
Accumulated other comprehensive loss	(218,607)	(130,481)
	<b>1,166,259</b>	<b>3,824,413</b>
Non-controlling interest (Note 11)	(213,316)	(168,307)
	<b>952,943</b>	<b>3,656,106</b>
	<b>9,590,951</b>	<b>11,744,787</b>

Nature of operations and going concern (Note 1)

Contingency (Note 17)

Subsequent event (Note 18)

Approved by the Board of Directors:

"Kathryn Walker"

Kathryn Walker, Director and CEO

"Aaron Bowden"

Aaron Bowden, Director

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

**Revitalist Lifestyle and Wellness Ltd.**Unaudited Condensed Interim Consolidated Statements of Operations and Comprehensive Loss  
(Expressed in Canadian dollars)

	Three Months Ended March 31	
	2022	2021
<b>Revenue</b>		
Patient services	1,081,541	148,985
<b>Expenses</b>		
Accretion of share consideration payable (Note 4)	28,088	36,370
Advertising and promotion	261,823	9,266
Amortization and depreciation (Notes 6 and 7)	36,776	62,678
Amortization of right-of-use assets (Note 10)	292,139	23,698
Dues and subscriptions	21,876	835
Insurance	27,531	214
Interest and bank charges	6,007	1,356
Interest expense on lease liability (Note 10)	217,309	17,690
Meals and entertainment	2,733	675
Medication and supplies	118,207	4,055
Office and administrative	151,581	18,110
Professional fees	64,159	47,753
Revitaland development	112,522	-
Salaries and wages	2,301,387	230,153
Share based compensation	552,060	32,582
Acquisition share based compensation (Note 4)	-	3,383,532
Utilities	54,440	2,102
	4,248,638	3,871,069
<b>Loss before other items</b>	3,167,097	3,722,084
Foreign exchange loss	-	2,308
<b>Net loss for the year</b>	3,167,097	3,724,392
Unrealized loss on translation to reporting currency	88,126	-
<b>Comprehensive loss for the year</b>	3,255,223	3,724,392
<b>Net loss attributable to:</b>		
Shareholders of the Company	3,122,088	3,724,392
Non-controlling interests	45,009	-
	3,167,097	3,724,392
<b>Net comprehensive loss attributable to:</b>		
Shareholders of the Company	3,210,033	3,724,392
Non-controlling interests	45,190	-
	3,255,223	3,724,392
<b>Loss per share (basic and diluted)</b>	0.05	0.14
<b>Weighted average number of common shares outstanding</b>	67,712,580	25,750,001

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

**Revitalist Lifestyle and Wellness Ltd.**Unaudited Condensed Interim Consolidated Statements of Changes in Shareholders' Equity  
(Expressed in Canadian dollars)

	<b>Common Shares</b>	<b>Share Capital</b>	<b>Share options and warrants</b>	<b>Deficit</b>	<b>Non- controlling interest</b>	<b>Accumulated Other Comprehensive Loss</b>	<b>Total Equity</b>
<b>Balance, December 31, 2020</b>	25,750,001	-	-	(4,731)	-	-	(4,731)
Shares issued	5,700,000	427,500	-	-	-	-	427,500
Shares issuable on acquisition (Note 5)	18,715,662	5,614,699	-	-	-	-	5,614,699
Share based compensation	-	-	32,582	-	-	-	32,582
Net loss for the period	-	-	-	(3,724,392)	-	-	(3,724,392)
Translation adjustments	-	-	-	-	-	121	121
<b>Balance, March 31, 2021</b>	<b>50,165,663</b>	<b>6,042,199</b>	<b>32,582</b>	<b>(3,729,123)</b>	<b>-</b>	<b>121</b>	<b>2,345,779</b>
<b>Balance, December 31, 2021</b>	67,712,580	13,369,210	3,198,819	(12,613,135)	(168,307)	(130,481)	3,656,106
Share based compensation	-	-	552,060	-	-	-	552,060
Net loss for the period	-	-	-	(3,122,088)	(45,009)	-	(3,167,097)
Translation adjustments	-	-	-	-	-	(88,126)	(88,126)
<b>Balance, March 31, 2022</b>	<b>67,712,580</b>	<b>13,369,210</b>	<b>3,750,879</b>	<b>(15,735,223)</b>	<b>(213,316)</b>	<b>(218,607)</b>	<b>952,943</b>

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

**Revitalist Lifestyle and Wellness Ltd.**Consolidated Statement of Cash Flows  
(Expressed in Canadian dollars)

	Three months ended March 31, 2022	Three months ended March 31, 2021
	\$	\$
Cash provided by (used in):		
Operating activities		
Net loss	(3,167,097)	(3,724,392)
Add (deduct) items not affecting cash:		
Amortization of right-of-use assets	292,139	-
Amortization and depreciation	36,776	86,376
Foreign currency translation	(88,126)	121
Interest expense on lease liability	217,309	54,176
Accretion of share consideration payable	28,088	-
Share based compensation	552,060	32,582
Share based compensation on acquisition	-	3,383,532
Changes in non-cash working capital balances:		
Accounts receivable	(11,341)	1,253,885
Prepaid expenses	8,182	(399,113)
Accounts payable and accrued liabilities	72,377	27,505
Net cash (used in) provided by operating activities	(2,059,633)	714,672
Investing activities:		
Cash paid for purchase of intangible assets	(74,990)	-
Cash paid for purchase of property and equipment	(14,463)	-
Cash paid on Revitalist acquisition	-	(176,711)
Cash obtained on acquisition	-	352,417
Lease payments	(376,546)	(33,827)
Lease deposits	34,969	-
Net cash used in investing activities	(431,030)	141,879
Financing activities		
Proceeds from issuance of share capital	-	427,500
Net cash from financing activities	-	427,500
<b>Net change in cash</b>	<b>(2,490,663)</b>	<b>1,284,051</b>
<b>Cash, beginning of period</b>	<b>3,886,851</b>	<b>-</b>
<b>Cash, end of period</b>	<b>1,396,188</b>	<b>1,284,051</b>

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

## **Revitalist Lifestyle and Wellness Ltd.**

Notes to the unaudited condensed interim consolidated financial statements  
For the three months ended March 31, 2022 and 2021  
(expressed in Canadian dollars)

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### **1. NATURE OF OPERATIONS AND GOING CONCERN**

Revitalist Lifestyle and Wellness Ltd. (formerly Dealpool Capital Corp.) (the “Company” or “Revitalist” or “Group”) is a publicly listed company incorporated in the Province of British Columbia on July 6, 2018, under the Business Corporations Act of British Columbia. The Company’s common shares are listed on the Canadian Securities Exchange under the symbol “CALM.” The Company’s registered records office is located at 3200 – 650 West Georgia Street, Vancouver, British Columbia, V6B 4P7 and its head office is located at 10608 Flickenger Lane, Knoxville, TN, 37922.

Revitalist is a mental health company enabling safe access to psychedelic medicine through a network of clinics located in the United States. Revitalist provides ketamine-assisted psychotherapy and other novel treatments through its network of integrative mental health clinics.

These unaudited condensed interim consolidated financial statements comprise the financial statements of the Company, its legal subsidiaries, Ketamine Holdings Ltd. (“Ketamine Holdings”), Ketamine Holdings (USA) Ltd. (“Ketamine Holdings (USA)”), Revitalist, LLC (“Revitalist, LLC”), Revitaland Meta Tech Inc. (“Revitaland”) and one ketamine clinic in the United States owned by state-licensed physicians and organized as professional medical corporations (“PCs”).

These unaudited condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which presumes that the Company will realize its assets and discharge its liabilities in the normal course of business for at least the next twelve months.

The Company will require additional financing in the next twelve months and has historically raised funds principally through the sale of securities. The Company expects it will continue to obtain funding; however, the timing and availability of additional financing will be determined largely by the performance of the Company and market conditions. There can be no assurance that the Company will be able to raise funds as they are required in the future. The Company has a cumulative deficit of \$15,735,223 and negative cash flow from operations of \$2,059,633. These factors indicate the existence of a material uncertainty that casts significant doubt about the Company’s ability to continue as a going concern.

These unaudited condensed interim financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern basis was not appropriate for These unaudited condensed interim financial statements, then adjustments would be necessary to reflect These unaudited condensed interim financial statements on a liquidation basis which could differ from accounting principles applicable to a going concern.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. At this point, the impact on the Company has been minimal. The Company continues to monitor the situation and is taking all necessary precautions in order to follow rules and best practices as set out by the federal and provincial governments.

## Revitalist Lifestyle and Wellness Ltd.

Notes to the unaudited condensed interim consolidated financial statements  
For the three months ended March 31, 2022 and 2021  
(expressed in Canadian dollars)

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### 2. BASIS OF PREPARATION

#### a) Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. Accordingly, they do not include all the information and notes to the consolidated financial statements required by IFRS for complete financial statements and should be read in conjunction with the Company’s most recent audited consolidated financial statements. In preparation of these condensed interim consolidated financial statements, the Company has consistently applied the same accounting policies disclosed in the Company’s audited annual financial statements for the year ended December 31, 2021.

These unaudited condensed interim financial statements were authorized for issue by the Board of Directors on May 27, 2022.

#### b) Basis of measurement

These unaudited condensed interim financial statements are a continuation of the consolidated financial statements of the Company and have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value.

The preparation of These unaudited condensed interim financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company’s accounting policies.

#### c) Basis of consolidation

These unaudited condensed interim financial statements comprise the financial statements of the Company, its legal subsidiaries and one PC, RVLWF, PLLC. Subsidiaries are those entities which the Company controls by having the power to govern the financial and operational policies of the entity. This control is generally evidenced through owning more than 50% of the voting rights or currently exercisable potential voting rights of a company’s share capital. All intercompany transactions and balances have been eliminated. The Company controls the following entities:

	Percentage ownership interest	
	2021	2020
KETAMINE HOLDINGS	100%	0%
KETAMINE HOLDINGS (USA)	100%	0%
REVITALIST, LLC	100%	0%
REVITALAND META TECH INC.	60%	0%

## **Revitalist Lifestyle and Wellness Ltd.**

Notes to the unaudited condensed interim consolidated financial statements  
For the three months ended March 31, 2022 and 2021  
(expressed in Canadian dollars)

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### **2. BASIS OF PREPARATION (cont'd)**

#### d) Functional and presentation currency

The Group's presentation currency is the Canadian dollar. The functional currency of Revitalist, Ketamine Holdings, and Ketamine Holdings (USA) is the Canadian dollar. The functional currency of Revitalist, LLC, Revitaland and RVLWF, PLLC is the US dollar ("USD"). Foreign currency transactions are translated into the functional currency at the exchange rate as at the date of the transaction. At each statement of financial position date, monetary assets and liabilities in foreign currencies are translated using the period end foreign exchange rate. Nonmonetary assets and liabilities in foreign currencies are translated using the historical rate. All gains and losses on translation of these foreign currency transactions are included in profit and loss. The results and financial position of a subsidiary that has a functional currency different from the presentation currency are translated into the presentation currency as follows:

- i. Assets and liabilities are translated at the closing rate at the reporting date;
- ii. Income and expenses for each income statement are translated at average exchange rates for the period; and
- iii. All resulting exchange differences are recognized in other comprehensive income as cumulative translation adjustments.

On consolidation, exchange differences arising from the translation of the net investment in a foreign operation are taken to accumulated other comprehensive loss. When a foreign operation is sold, such exchange differences are recognized in profit or loss as part of the gain or loss on sale.

### **3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies applied in these unaudited condensed consolidated interim financial statements are the same as those applied in the Company's annual audited consolidated financial statements as at and for the year ended December 31, 2021.

### **4. ACQUISITIONS**

#### *Florida Acquisition*

On January 11, 2022, Revitalist acquired 100% of the assets of a medical clinic located in Florida "Florida Acquisition". The purchase price for the Florida Acquisition was \$100,000 US dollars, with \$60,000 US dollars payable in cash on January 11, 2022, and \$40,000 US dollars payable in Common Shares of the Company in two equal instalments on January 11, 2023, and January 11, 2024.

The Florida Acquisition was accounted for as a business combination as the assets acquired and liabilities assumed constitute a business. The transaction was accounted for using the acquisition method of accounting whereby the assets acquired, and the liabilities assumed were recorded at their estimated fair value at the acquisition date. The Company has allocated 100% of the purchase price to customer lists. These provisional amounts may be adjusted during the measurement period, or additional assets may be recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.



## Revitalist Lifestyle and Wellness Ltd.

Notes to the unaudited condensed interim consolidated financial statements

For the three months ended March 31, 2022 and 2021

(expressed in Canadian dollars)

### 4. ACQUISITIONS (cont'd)

The allocation of the components of total consideration to the assets acquired was as follows:

<b>Consideration</b>	<b>\$</b>
Acquisition consideration payable	42,291
Cash consideration paid	74,976
	<u>117,267</u>
<b>Assets acquired</b>	<b>\$</b>
Customer list	117,267
Total net assets acquired	<u>117,267</u>

The Company recorded accretion expense of \$1,003 during the period bringing the acquisition consideration payable to \$43,294 as at March 31, 2022. The discount rate used to determine the present value of the liability was 11.3% over a period of one year.

#### *Revitalist Acquisition*

On February 16, 2021, Ketamine Holdings (USA) entered into an agreement to acquire 100% of the membership interest of Revitalist, LLC (the "Revitalist Acquisition").

Consideration is payable as follows: \$150,000 USD cash on closing, and the remainder on or before June 30, 2022.

The Revitalist Acquisition was accounted for as a business combination as the assets acquired and liabilities assumed constitute a business. The transaction was accounted for using the acquisition method of accounting whereby the assets acquired, and the liabilities assumed were recorded at their estimated fair value at the acquisition date. The Company applied various estimates and valuation techniques in order to measure the assets acquired and the liabilities assumed in the business combination.

The allocation of the components of total consideration to the net assets acquired was as follows:

<b>Consideration</b>	<b>\$</b>
Acquisition consideration payable	1,736,871
Cash consideration paid	190,170
	<u>1,927,041</u>
<b>Net assets acquired</b>	<b>\$</b>
Cash	13,445
Accounts receivable	3,453
Property and equipment	89,195
Right-of-use asset	727,965
Customer list	322,000
Brand and trademark	460,000
Goodwill	1,063,510
Accounts payable and accrued liabilities	(24,562)
Lease obligations	(727,965)
Total net assets acquired	<u>1,927,041</u>

## Revitalist Lifestyle and Wellness Ltd.

Notes to the unaudited condensed interim consolidated financial statements  
For the three months ended March 31, 2022 and 2021  
(expressed in Canadian dollars)

### 4. ACQUISITIONS (cont'd)

The Company recorded accretion expense of \$27,085 during the period (2021 – \$36,370) bringing acquisition consideration payable to \$1,943,627 (December 31, 2021 - \$1,916,556). The acquisition consideration payable was settled on April 19, 2022. The discount rate used to determine the present value of the liability was 11.3% over a period of one year.

The resulting goodwill represents the sales and growth potential of Revitalist, LLC and will be deductible for tax purposes.

#### *Ketamine Holdings Acquisition*

On February 19, 2021, Revitalist acquired 100% of the outstanding shares of Ketamine Holdings and issued 31,450,000 common shares to the shareholders of Ketamine Holdings. The Acquisition does not constitute a business combination under IFRS 3 Business Combinations as Revitalist did not meet the definition of a business prior to the transaction. Accordingly, the Acquisition has been accounted for as an acquisition by Ketamine Holdings of the Company's net assets. In accordance with the principles of reverse take-over accounting, Ketamine Holdings will report the operations and its related historical comparatives as its continuing business.

The acquisition date fair value of the consideration was estimated based on the net asset value of the Company using the last financing price in Revitalist as follows:

	\$
<b>Consideration paid</b>	
Common shares issued (18,715,662 common shares at \$0.30)	5,614,699
<b>Assets (liabilities) acquired</b>	
Cash	352,417
Prepaid expenses and deposits	100,000
Subscriptions receivable	1,781,791
Accounts payable and accrued liabilities	(3,040)
Net assets acquired	2,231,167
Acquisition expense – share based compensation	3,383,532

The share-based compensation represents the services and knowledge related to the expertise that the Ketamine Holdings brings to the Company.

### 5. ACCOUNTS RECEIVABLE

	March 31, 2022	December 31, 2021
	\$	\$
Trade receivables	78,088	85,957
GST and taxes recoverable	86,544	67,334
	<b>164,632</b>	153,291

Trade receivables relates to amounts receivable from patients/insurance for treatments completed at the clinics. During the three months ended March 31, 2022, and 2021, no expected credit loss allowance was recorded for accounts receivable. No receivables were written off during the period.

**Revitalist Lifestyle and Wellness Ltd.**

Notes to the unaudited condensed interim consolidated financial statements

For the three months ended March 31, 2022 and 2021

(expressed in Canadian dollars)

**6. PROPERTY AND EQUIPMENT**

	Furniture and Fixtures	Computer Equipment and Software	Leasehold Improvements	Total
	\$	\$	\$	\$
<b>Cost</b>				
Balance, December 31, 2021	102,356	172,179	181,165	455,700
Additions	-	10,193	4,270	14,463
Balance, March 31, 2022	102,356	182,372	194,303	470,163
<b>Depreciation</b>				
Balance, December 31, 2021	10,573	12,494	25,339	48,406
Additions	9,181	8,476	3,019	20,676
Balance, March 31, 2022	19,754	20,970	37,226	69,082
Balance, December 31, 2021	91,783	159,685	155,826	407,294
<b>Balance, March 31, 2022</b>	<b>82,602</b>	<b>161,402</b>	<b>157,077</b>	<b>401,081</b>

**7. INTANGIBLE ASSETS**

	Brand and Trademark	Customer List	Total
	\$	\$	\$
<b>Cost</b>			
Balance, December 31, 2021	460,000	322,000	782,000
Additions		117,267	117,267
Balance, March 31, 2022	460,000	439,267	899,267
<b>Amortization</b>			
Balance, December 31, 2021	-	56,350	56,350
Additions	-	16,100	16,100
Balance, March 31, 2022	-	72,450	72,450
<b>Balance, December 31, 2021</b>	<b>460,000</b>	<b>265,650</b>	<b>725,650</b>
<b>Balance, March 31, 2022</b>	<b>460,000</b>	<b>366,817</b>	<b>826,817</b>

## Revitalist Lifestyle and Wellness Ltd.

Notes to the unaudited condensed interim consolidated financial statements

For the three months ended March 31, 2022 and 2021

(expressed in Canadian dollars)

### 8. GOODWILL

	<b>Total</b>
	<b>\$</b>
<b>Cost</b>	
Balance, December 31, 2021	1,063,510
Additions	-
Balance, March 31, 2022	1,063,510

### 9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<b>31-Mar-22</b>	31-Dec-21
	<b>\$</b>	<b>\$</b>
Trade accounts payable	<b>368,793</b>	54,381
Accrued liabilities	<b>75,000</b>	298,924
Payroll liabilities	<b>315,258</b>	333,369
	<b>759,051</b>	686,674

### 10. RIGHT OF USE ASSET AND LEASE LIABILITY

	<b>Right of Use Asset</b>
	<b>\$</b>
<b>Cost</b>	
Balance, December 31, 2021	5,778,704
Additions	565,822
Balance, March 31, 2022	6,344,526
<b>Depreciation</b>	
Balance, December 31, 2021	(557,540)
Additions	(292,139)
Balance, March 31, 2022	(849,679)
<b>Balance, December 31, 2021</b>	<b>5,221,164</b>
<b>Balance, March 31, 2022</b>	<b>5,494,847</b>

The Company's right-of-use assets consist of clinic premises and medical equipment leases.

The following is the continuity of lease liabilities, for the three months ended March 31, 2022:

	<b>March 31, 2022</b>
	<b>\$</b>
Opening balance, December 31, 2021	5,485,451
Additions	565,822
Lease payments	(376,546)
Interest expense on lease liabilities	217,309
	5,892,036
<b>Current portion</b>	<b>835,464</b>
<b>Long-term portion</b>	<b>5,056,572</b>

**Revitalist Lifestyle and Wellness Ltd.**

Notes to the unaudited condensed interim consolidated financial statements

For the three months ended March 31, 2022 and 2021

(expressed in Canadian dollars)

**10. RIGHT OF USE ASSET AND LEASE LIABILITY (cont'd)**

	<b>March 31, 2022</b>
	\$
Opening balance, December 31, 2020	-
Assumed at Acquisition	727,965
Additions	5,050,739
Lease payments	(702,713)
Interest expense on lease liabilities	409,460
	5,485,451
<b>Current portion</b>	<b>679,507</b>
<b>Long-term portion</b>	<b>4,805,944</b>

## Revitalist Lifestyle and Wellness Ltd.

Notes to the unaudited condensed interim consolidated financial statements  
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(expressed in Canadian dollars)

### 10. RIGHT OF USE ASSET AND LEASE LIABILITY (cont'd)

As at March 31, 2022, the minimum lease payments for the lease liabilities are as follows:

Year ending:	\$
2022	1,576,011
2023	1,693,488
2024	1,716,724
2025	1,709,387
2026	1,028,052
2027	238,431
2028-2032	1,073,043
	<hr/> 9,035,136
Less: Interest expense on lease liabilities	3,143,100
	<hr/>
<b>Total present value of minimum lease payments</b>	<b>5,892,036</b>

When measuring lease obligations, the Company's incremental borrowing rate applied was 14.3% per annum.

### 11. NON CONTROLLING INTEREST

The non-controlling interest represents equity in Revitaland that is not attributable to the Company.

The following table represents the summarized financial information of Revitaland:

Ownership interest: 60%	31-Mar-22	31-Dec-21
	\$	\$
Current assets	-	-
Non-current assets	-	-
Current liabilities	-	-
Non-current liabilities	533,744	420,768
Revenue for the year ended	-	-
Net loss for the year ended	112,976	420,768
Net loss attributable to non-controlling interest	45,009	168,307

The net change in the non-controlling interest is as follows:

	\$
Balance, December 31, 2021	168,307
Net loss attributable to non-controlling interest	45,009
Balance, March 31, 2022	<hr/> 213,316

## Revitalist Lifestyle and Wellness Ltd.

Notes to the unaudited condensed interim consolidated financial statements  
For the three months ended March 31, 2022 and 2021  
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### 12. RELATED PARTY TRANSACTIONS AND BALANCES

#### Key management personnel compensation

Key management is comprised of the Company's directors and executive officers. The Company incurred the following key management compensation charges during the three months ended March 31:

	<b>2022</b>	2021
	\$	\$
Salaries, bonuses, fees, and benefits	<b>79,138</b>	28,846
Share based compensation	<b>65,141</b>	45,669
	<b>144,279</b>	74,515

During the three months ended March 31, the Company made the following lease payments to a company controlled by the CEO:

	<b>2022</b>	2021
	\$	\$
Lease payments	<b>64,386</b>	25,546
	<b>64,386</b>	25,546

The Company had the following outstanding amounts owed to a related party as at:

	<b>March 31, 2022</b>	December 31, 2021
	\$	\$
Accounts payable	3,004	5,291

### 13. SHARE CAPITAL

#### Authorized Share Capital

The Company has an unlimited number of common shares without par value authorized for issuance. As at March 31, 2022, the Company had 67,712,580 (December 31, 2021 - 67,712,580) common shares issued and outstanding.

#### Share Transactions

On February 3, 2021, The Company closed a private placement and issued 5,700,000 common shares for proceeds of \$430,075.

On February 19, 2021, the Company issued 18,715,662 common shares per the transaction described in Note 4.

On July 14, 2021, the company closed a private placement for aggregate gross proceeds of \$5,594,887 through the issuance of 11,189,774 special warrants at a price of \$0.50 per special warrant. Each special warrant entitled the holder to receive one common share of the Company. The special warrants converted to common shares at the time the Company listed its shares for trading on the Canadian Securities Exchange on August 24, 2021.

## Revitalist Lifestyle and Wellness Ltd.

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### 13. SHARE CAPITAL (cont'd)

On November 17, 2021, the Company closed a private placement for aggregate gross proceeds of \$3,000,000 through the issuance of 5,357,143 common share units. Each unit consisted of one common share and 1 common share purchase warrants with an exercise price of \$0.69 each. The fair market value of these warrants using the residual value method was \$ 964,286. The exclusive placement agent in the transaction received warrants with an exercise price of \$0.56 each ("Agent Warrants"). All warrants issued may be exercised over a period of 5 years. The fair value of the Agent Warrants granted during the period using the Black Scholes option pricing model was \$128,229. The following assumptions were used: exercise price of \$0, estimated volatility of 150% based on comparable companies, expected life of 5 years and a risk-free rate of 0.14%.

On November 19, 2021, the Company issued 1,000,000 common shares with a fair value of \$380,000 pursuant to a development agreement.

The Company incurred share issuance costs of \$557,936 related to the private placements.

#### Options

Movements in the number of options outstanding and their related weighted average exercise prices are as follows:

	Number of options	Weighted average exercise price
		\$
Outstanding, December 31, 2021	7,690,000	0.42
Granted	430,000	0.20
Forfeited	-190,000	0.41
Outstanding, March 31, 2022	7,930,000	\$ 0.41

	Number of options	Weighted average exercise price
		\$
Outstanding, December 31, 2020	-	-
Granted	3,050,000	0.30
Granted	4,525,000	0.50
Granted	105,000	0.60
Granted	10,000	0.67
Outstanding, December 31, 2021	7,690,000	0.42

The fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model.

Weighted average of option model inputs and fair value for options granted during the three months ended March 31, 2022 were as follows:

Options #	Share Price \$	Exercise Price \$	Risk-free Interest Rate %	Expected Life (years)	Volatility Factor %	Fair Value Per Option \$
430,000	0.20	0.20	0.10%	5	150%	0.18



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### 13. SHARE CAPITAL (cont'd)

The following summarizes information about the outstanding stock options exercisable to acquire common shares of the Company as at March 31, 2022 and December 31, 2021:

March 31, 2022:

#	Weighted average remaining contractual life (years)	Weighted average exercise price
7,930,000	4.16	\$ 0.41

December 31, 2021:

#	Weighted average remaining contractual life (years)	Weighted average exercise price
7,690,000	4.38	\$ 0.42

As at March 31, 2022, 2,855,000 stock options had vested (December 31, 2021 - nil).

Movements in the number of restricted stock units outstanding and their related weighted average exercise prices are as follows:

	Units	Weighted average exercise price
	#	\$
Outstanding, December 31, 2021	1,500,000	-
Granted	130,000	-
Outstanding, March 31, 2022	1,630,000	-
	#	\$
Outstanding, December 31, 2020	-	-
Granted	1,500,000	-
Outstanding, December 31, 2021	1,500,000	-

## Revitalist Lifestyle and Wellness Ltd.

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### 13. SHARE CAPITAL (cont'd)

#### Restricted stock units

The following summarizes information about the outstanding restricted stock units exercisable to acquire common shares of the Company as at March 31, 2022 and December 31, 2021:

March 31, 2022:

Outstanding			Exercisable		
Number of units	Weighted average remaining contractual life (years)	Weighted average exercise price \$	Number of options	Weighted average remaining contractual life (years)	Weighted average exercise price \$
1,630,000	4.33	-	815,000	4.33	-

December 31, 2021:

Outstanding			Exercisable		
Number of units	Weighted average remaining contractual life (years)	Weighted average exercise price \$	Number of units	Weighted average remaining contractual life (years)	Weighted average exercise price \$
1,500,000	4.53	-	375,000	4.53	-

#### Warrants

Warrants entitle the holder thereof to acquire one common share. No fractional shares are issuable upon the exercise of warrants. The Company may either pay a cash amount or round up to the nearest whole share in such circumstances. Warrants do not have any voting or pre-emptive rights or any other rights which a holder of common shares would have.

## Revitalist Lifestyle and Wellness Ltd.

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### 13. SHARE CAPITAL (cont'd)

The following is a schedule of the warrants outstanding as at March 31, 2022 and December 31, 2021:

	Number of warrants	Weighted average remaining contractual life (years)	Weighted average exercise price \$
Outstanding, December 31, 2021	5,732,143	4.88	0.68
Outstanding, March 31, 2022	5,732,143	4.49	0.68

  

	Number of warrants	Weighted average remaining contractual life (years)	Weighted average exercise price \$
Outstanding, December 31, 2020	-	-	-
Granted	5,732,143	5.00	0.68
Outstanding, December 31, 2021	5,732,143	4.88	0.68

### 14. FINANCIAL INSTRUMENTS AND RISKS

#### Fair values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statement of financial position as at March 31, 2022 and December 31, 2021, as follows:

	Carrying value	March 31, 2022		
		Level 1	Level 2	Level 3
	\$	\$	\$	\$
Cash	1,396,188	1,396,188	-	-

  

	Carrying value	December 31, 2021		
		Level 1	Level 2	Level 3
	\$	\$	\$	\$
Cash	3,886,851	3,886,851	-	-

## **Revitalist Lifestyle and Wellness Ltd.**

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### **14. FINANCIAL INSTRUMENTS AND RISKS (cont'd)**

The fair values of other financial instruments, which include amounts receivable, prepaid and deposits, amounts payable and lease liabilities approximate, approximate their carrying values due to the relatively short-term maturity of these instruments.

The fair value of acquisition consideration payable was determined using a present value of a probability weighted average of expected future cash outflows.

All financial instruments measured at fair value use Level 2 valuation techniques. There have been no transfers between fair value levels during the reporting period.

The Company's financial instruments are exposed to certain financial risks, including credit, liquidity, currency, and interest rate risk.

#### **Credit risk**

Credit risk arises from cash held with banks and financial institutions, as well as credit exposure on any outstanding accounts receivable. The carrying amount of financial assets represents the maximum credit exposure.

#### **Currency risk**

Currency risk is the risk that changes in foreign exchange rates will affect the Company's income or the value of its holdings of financial instruments. The Company's currency risk primarily arises from financial instruments denominated in currencies other than its functional currency. The Company does not undertake currency hedging activities to mitigate its foreign currency risk. The impact on the Company's profit or loss resulting from a 10% fluctuation in foreign exchange rates would be approximately \$232,000.

#### **Interest rate risk**

Interest rate risk consists of two components:

- (i) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.
- (ii) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

Current financial assets and financial liabilities are generally not exposed to interest rate risk because of their short-term nature and maturity. The Company's amounts due to related parties are non-interest bearing.

## Revitalist Lifestyle and Wellness Ltd.

Notes to the unaudited condensed interim consolidated financial statements

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### 14. FINANCIAL INSTRUMENTS AND RISKS (cont'd)

#### 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 currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

March 31, 2022

	Total	Less than 1 year	1 to 3 years	3 to 5 years	Over 5 years
	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	759,051	759,051	-	-	-
Share consideration payable	1,966,434	1,966,434	-	-	-
Lease obligations	9,035,136	1,576,011	3,410,212	2,737,439	1,311,474
	<b>11,760,621</b>	<b>4,301,496</b>	<b>3,410,212</b>	<b>2,737,439</b>	<b>1,311,474</b>

December 31, 2021

	Total	Less than 1 year	1 to 3 years	3 to 5 years	Over 5 years
	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	686,674	686,674	-	-	-
Share consideration payable	1,916,556	1,916,556	-	-	-
Lease obligations	9,166,728	1,598,965	3,459,881	2,777,308	1,330,574
	<b>11,769,958</b>	<b>4,202,195</b>	<b>3,459,881</b>	<b>2,777,308</b>	<b>1,330,574</b>

### 15. CAPITAL MANAGEMENT

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of all components of shareholders' equity.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issuances or by undertaking other activities, as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended December 31, 2021.

## Revitalist Lifestyle and Wellness Ltd.

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### 16. SEGMENT REPORTING

Information reported to the Chief Operating Decision Maker (“CODM”) for the purpose of resource allocation and assessment of segment performance focuses on the nature of the operations. The Company operates in three segments:

Clinical Operations: which encompass the Company’s ketamine assisted psychotherapy clinics across the United States of America.

Research: which consists of the development of virtual clinics in the metaverse and research focused expenses.

Corporate: which incorporates the operations of Revitalist’s headquarters.

Factors considered in determining the operating segments include the company’s business activities, the management structure directly accountable to the CODM, availability of discrete financial information and strategic priorities within the organizational structure.

Three months ended March 31, 2022:

Segment Information	Clinical Operations \$	Research \$	Corporate \$	Total \$
Net revenue	1,081,541	-	-	1,081,541
Net income (loss)	(1,269,842)	(112,522)	(1,784,733)	(3,167,097)

Three months ended March 31, 2021:

Segment Information	Clinical Operations \$	Research \$	Corporate \$	Total \$
Net revenue	148,985	-	-	148,985
Net income (loss)	51,837	-	(3,776,229)	(3,724,392)

### 17. CONTINGENCY

On November 5, 2021, the Company was named in a lawsuit initiated by an industry competitor seeking damages of an unspecified amount. Revitalist denies any liability and has filed a counterclaim seeking damages from the plaintiff. The outcome of the lawsuit is undeterminable, and no amount has been recorded in the consolidated financial statements.

## **Revitalist Lifestyle and Wellness Ltd.**

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### **18. SUBSEQUENT EVENT**

#### **Private placement**

On April 19, 2022, the company closed its first tranche of non-brokered private placement offering for aggregate gross proceeds to the Company of \$3,869,000 (the "Private Placement"). Pursuant to the Private Placement, the Company issued convertible note units (the "Units") at a subscription price of \$1,000 per Unit, each Unit composed of (i) \$1,000 in principal amount of unsecured convertible note of the Company (a "Note") and (ii) 3,500 detachable common share purchase warrants (each warrant, a "Warrant"). Each Note matures in 36 months from the date of issuance ("Maturity Date") and will accrue simple interest at 8% ("Interest") per annum, payable quarterly. Each Note, and any accrued but unpaid interest thereon, is convertible into common shares of the Company at a conversion price of \$0.15 at any time prior to the Maturity Date. Each Warrant will be exercisable at \$0.20 per share at any time until the date that is 24 months from the date of issuance ("Expiry Date"). In the event that, at any time after the date of issuance and before the Expiry Date, the 15 day trading volume weighted average price of the common shares of the Company on the Canadian Securities Exchange exceeds \$0.50, the Company is entitled to accelerate the expiry date of the Warrants to the date that is not less than 30 trading days following the date notice of such acceleration is delivered to Warrant holders